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Report of Proceedings

from 11 to 15 April 1983

Europe House, Strasbourg

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IN THE CHAIR: MR DANKERT

President

(The sitting was opened at 5 p.m.)

1. Resumption of the session

President. — I declare resumed the part-session of the European Parliament, which was adjourned on 11 March 1983.

2. Approval of the minutes

President. — The minutes of the sitting of Friday, 11 March 1983 have been distributed.

Are there any comments?

Mr Provan (ED). — Mr President, when we were voting on the Mouchel proposals on the price package last session, I raised the matter of the indents that were being voted upon and whether in fact they had any

Provan

validity as the legal basis for the document. Mr President, you said you would refer that matter to the Committee on the Rules of Procedure and Petitions, following an intervention from Lady Elles. I understand that that resolution has been retabled. Have I got an assurance from you that what you, in fact, said at that time will take place, namely that it will be referred to the Committee on the Rules of Procedure and Petitions and that no further action will be taken on Mr Davern's resolution until the committee has delivered its opinion?

President. — What precise document of Mr Mouchel's are you referring to, Mr Provan? Is it the one on agricultural prices?

Mr Provan (ED). — Mr President, it was the fourth indent of the Mouchel report on agricultural prices.

President. — And what is the relation between it and the minutes?

Mr Provan (ED). — Mr President, my point concerns the 'Rainbow' which reports what took place during the debate. I am asking for an assurance from you that in fact that will continue to be the case.

President. — We have asked the Committee on the Rules of Procedure and Petitions to rule on the matter. As long as it is under consideration in committee the situation will remain as I said during the plenary in March.

(Parliament approved the minutes)¹

3. Agenda

President. — At its meeting of 9 March 1983, the enlarged Bureau drew up the draft agenda, which has been distributed.

At the meeting this morning, the chairmen of the political groups instructed me to propose a number of amendments.

In respect of *Tuesday*.

After the Statement by the Council and the Commission on the European Council in Brussels, the Com-

mission will give a brief expose on the new monetary parities.

Next, the report by Lord Bethell on human rights in the USSR entered as No 36 is withdrawn from the agenda together with the Oral Question by Mr Schall and others which was included in the debate on this report. I hope we can discuss that report at the May part-session, but proposals to this effect will be submitted to you later.

After the Oral Question on measures relating to the petition concerning 21 Uruguyan prisoners, the Council will make a statement on the outcome of the fourth EEC/ASEAN session.

Next, the last item to be entered on the agenda for Tuesday is the joint debate on the report by Mr Purvis, on behalf of the Committee on Economic and Monetary Affairs on the recycling of petrodollars and the Oral Question with debate by Mr Bismarck and others to the Commission on the world monetary system.

The debate on the Purvis report and on the related Oral Question can continue on Wednesday morning until 10 a.m. at the latest.

Mr Purvis (ED). — Mr President, I would just like to ask you when the deadline for submitting amendments is on the report for petrodollars.

President. — I would have come to that at the end of my intervention on the agenda. It will be this evening at 8 p.m.

Mr Pranchère (COM). — *(FR)* Mr President, you have just said that the Commission will make a short statement on the monetary realignment. Do you not think it desirable to have a debate, even if only a short one, either in the form of statements or of questions to the Commission?

President. — Mr Pranchère, I made room for this matter in the debate on the statement on the results of the European Council in Brussels. In other words, the political groups are perfectly free to debate this expose within the framework of the debate on the statement on the European Council, since the issue is closely related.

Mr Enright (S). — Mr President, you said that Lord Bethell's report had been withdrawn. In fact we have received this report and for a change we have had ample time to consider it. So it seems to me that there is no good or pressing reason why it should be withdrawn.

¹ Membership of Parliament — Membership of committees — Application of the Rules of Procedure — Motions for resolutions (Rule 49) — Petitions — Transfer of appropriations — Referral to Committee — Documents received — Texts of treaties forwarded by the Council: see Minutes.

President. — Mr Enright, I cannot communicate the exact reason. I can only say it is not because Lord Bethell cannot be here for personal reasons that he cannot introduce the report. It would be wise therefore to link the report to the report by Mr Israel, which is also on human rights, during the May part-session.

Mr Pflimlin (PPE). — Mr President, when will Mr Croux's report, scheduled for tomorrow, actually be taken?

President. — At the same time as the debate on the statement on the results of the European Council, Mr Pflimlin.

As regards *Wednesday*:

— I would point out, first, that the report by Mr Schon on the discharge for the 1981 financial year, which is entered on the agenda as No 41, is the subject of two separate documents, one on the European Parliament, the other on the second and third EDF.

The report by Mr Saby on the administrative expenditure of the European Parliament for the 1982 financial year, Item No 46 on the agenda, could be taken without debate, but I have received from Mr Forth and nine other signatories, a request that there should be a debate.

I would point out, for the benefit of those who want a debate that, in line with a corrigendum which has yet to be distributed, the motion for a resolution set out in this report has been amended and the resolution that has been distributed does not include paragraphs 8 and 9. Therefore, if the request for a debate is based on paragraphs 8 and 9 of the resolution, I must insist that it be withdrawn.

Mr Hord (ED). — Mr President, Mr Forth is unable to be with us today and being one of the other signatories, I would like the House to know that Mr Forth and the other signatories felt that this was an important issue — the question of Parliament's own budget to be the subject of debate, not to be swept under the carpet and regarded as a proposal which did not warrant debate. It is not in regard to the substance of paragraphs 8 and 9, it was a question of principle.

President. — Mr Hord, I do not think it is necessary to have any further debate because the ten Members in question are fully entitled under the rules to ask for a debate on this report. So I would ask the others who have asked to intervene not to do so because I think it is superfluous.

Mr Edward Kellett-Bowman (ED). — Mr President, I think it would be wholly inappropriate to have 1982

accounts as part of a debate on the discharge for 1981. So since now it is decided that we shall have a debate on Mr Saby's report, I think it would be better if you could so arrange matters that it be a separate debate from the 1981 discharge because paragraphs 41 to 45 in fact all concern the 1981 discharge.

President. — Mr Kellett-Bowman, if ten Members ask for a debate on whatever question they have the right to do so and there is a debate.

Mr Edward Kellett-Bowman (ED). — I am not challenging the procedural matter under Rule 34. What I am saying is that since it is now decided to have a debate, it should be separate from discussions on the 1981 discharge. Can you not close your bracket off after Item 45 and have a small debate on Item 46 separate from the others.

President. — That is possible, that does not create any problems.

Mr Saby (S). — (*FR*) Mr President, I should simply like to add that we had suggested there be no debate after we had received an opinion from the Committee on Budgetary Control which was adopted unanimously, it being understood that this debate would be held when further information was available. That simply to clarify matters, Mr President.

Mr Aigner (PPE), Chairman of the Committee on Budgetary Control. — (*DE*) Mr President, I would like to ask the signatories not to insist on requesting a debate at the present time. There is no question about the need for a debate, and the Committee on Budgetary Control has resolved — unanimously, I believe — to hold one. We felt that we ought to clarify various matters with the President and administration of Parliament first before putting the matter to debate. I would therefore like to second Mr Kellett-Bowman's request. We cannot simply discuss the figures, nor would there be any point in that, since we have to comply with the budget regulations and submit the requisite documents to the Commission. We wanted to wait until May and then debate the whole complex. I would therefore like to call on the signatories again to concur with the majority vote of the Committee on Budgetary Control.

President. — I think the best thing would be for you to get in touch with the authors of the request, but it is your absolute right to call for a debate when you have ten signatures, and those you have.

Mr Konrad Schön (PPE). — (*DE*) Mr President, in my capacity as rapporteur I would like to mention that

Schön

the Committee on Budgetary Control was of the unanimous opinion that the Saby report is only an interim one. It merely presents the figures, for the reason that Dr. Aigner has explained, I, too, therefore appeal to the signatories not to disrupt the procedure approved by the Committee on Budgetary Control, but to conduct the necessary — and I emphasize necessary — debate in May, when Mr Saby's work has been completed.

President. — Here we are dealing with a formal request. All you can do, therefore, is to ask those who have tabled it to withdraw it.

Mr Glinne (S). — (FR) Mr President, irrespective of the decision on the debate on Mr Saby's report, I should like to say that the time allotted to the political groups is very short. I should now like to propose, following the procedure recommended for Thursday, that the speaking time for rapporteurs and the representative of the Commission be halved.

As far as my group is concerned, if the rapporteurs on the subjects of the joint debate use their ten minutes and if the representative of the Commission does likewise, then the Socialist group will have a total of twenty-nine minutes to speak on the reports by Mr Mihr, Mr Deleau and Mr Arndt, which is really too short. Would it be at all possible to adopt for Wednesday the procedure of reducing speaking time which has already been decided on for Thursday?

President. — I have then a proposal from the Socialist Group to reduce by half the speaking time of rapporteurs presenting reports in joint debate.

Are there any objections?

(Parliament approved the proposal of the Socialist Group)

The speaking time of rapporteurs will thus be halved. I find it more difficult to apply your proposal to the Commission since it does not have a fixed speaking time. I think that the Commission appreciates that we have a tight schedule and will make allowances. But I do not want to put the Commission in a strait jacket, since this would not be in the interest of the subjects dealt with.

Mrs Elaine Kellett-Bowman (ED). — Mr President, taking on board the point that Mr Aigner has made that there will of course, and very properly, be a debate in this Parliament on the Saby report, may I enquire exactly what is happening under Rule 34(2)? As I understand it, if then Members object we do not just have a debate, even apart from the grouping. In fact it goes back to committee and that is what is puzzling me.

President. — No, Mrs Kellett-Bowman, if then Members ask for a debate, there is a debate, nothing else.

Mrs Elaine Kellett-Bowman (ED). — Rule 34(2). On the final three lines, Mr President.

President. — Yes, if the Committee on Budgetary Control insists that there can be no debate, then the proposal goes back to the committee in question but if the Committee on Budgetary Control accepts that there is a debate, then there is a debate. Otherwise it goes back to the committee.

Mrs Scrivener (L). — (FR) Mr President, I should like to ask for confirmation on this business of the discharge. If I have correctly understood, it has been divided into two for the 1981 financial year. And the part which I would call 'Commission' has been withdrawn from the agenda, in view of what you have just said; I am of course referring to the report. But the part dealing with the European Parliament's accounts for 1981, which incidentally has been adopted by the Committee on Budgetary Control, will be taken in this part-session, if I have correctly understood you.

Would you be good enough to confirm this?

President. — That is indeed the case, Mrs Scrivener, this item of the agenda has been retained.

Mrs Boserup (COM). — (DA) Mr President, I hate to inconvenience you with this matter but, from a procedural point of view, I must say that some highly-esteemed members of the Committee on Budgetary Control are suffering from a serious lapse of memory when they claim that the decision to take the Saby report without a debate was unanimous. I protested, and I voted against the Saby report. I cannot understand how these honourable colleagues of mine can make such a strange interpretation of the facts.

Mr de la Malène (DEP). — (FR) Mr President, I have been instructed by my group to request the withdrawal from the agenda of Mr Arndt's interim report, for four reasons.

The first concerns the procedure followed by the Committee on Budgets. The Committee on Budgets was requested to draw up an own-initiative report on the financing of the Community; we have now been presented with a report on the 'communication from the Commission of the European Communities on the future financing of the Community'. What should therefore have been an own-initiative report has become a report on a Commission document. That is the first procedural deviation.

de la Malène

The second procedural deviation is that we have a document which the Commission has released informally; one day this paper will undoubtedly become a document for the Council, but we are dealing with it before it has been submitted to the Council.

The third point is that the Committee on Agriculture, which is first and foremost concerned because the Commission in its thinking draws the whole of the CAP into question, has not been consulted and has not expressed an opinion.

The fourth point is that this interim report ends with questions put to the Commission. So we have a report on an unofficial document from the Commission ending with unanswered questions.

Well, I think that on an issue of such importance today for the future of the Community as the financing of the Community, the financing of the common agricultural policy, we do not consider the procedure followed to be satisfactory and worthy of the subject matter.

That is why we wish this item to be withdrawn from the agenda for the time being in order to return to the proper procedure as laid down in the Rules of Procedure.

(Applause from the right)

President. — Before putting Mr de la Malène's request to the vote, I have to hear one speaker for and one speaker against.

I call Mr Lange, Chairmann of the Committee on Budgets, as speaker against, I suppose.

Mr Lange, Chairman of the Committee on Budgets. — *(DE)* You presume correctly, Mr President. I do not think the arguments used by Mr de la Malène to support his request are tenable. The President of the Commission in effect submitted this so-called green book prepared by the Commission to Parliament, asking for an opinion. The Committee on Budgets has reviewed it, but since there are so many questions it does not settle the Commission has not commented on it or on the Commission's proposals. Instead, the Committee has asked the Commission in this interim report to supply further information on certain questions and to provide some calculation examples for proposals put forward by the Commission so that Parliament can come to a definitive decision on these proposals. As the green book stands at present, Parliament cannot reasonably pass definitive judgment on it — unless a member considers it so unsatisfactory and obscure as to be worthy only of rejection or thinks the Commission should be given a chance of clarifying the points which we find so unsatisfactory and obscure.

Parliament should consequently not let this opportunity slip of discussing the interim report. It can then call upon the Commission to amend the green book in such a way as to enable us to deal with the questions relating to the financing of the Community thoroughly and to the satisfaction of all the committees. I am therefore in favour of leaving the interim report on the agenda.

Mr Nyborg (DEP). — *(DA)* Mr President, I feel I must just make a comment, because Mr Lange says that we have been asked to reach a decision. Yes, but how can we in Parliament presume to take a decision on something on which the Commission itself has not come to a decision? It is not after all a Commission proposal which has been sent to us. The Commission itself states quite clearly that it is putting some ideas to us. The Commission is entitled to have ideas. But it must take them further and concretize them in proposals. Since when have we had to decide on something as volatile as the Commission's ideas in a matter of such importance as the future of the Community as a whole, the fate of the European agricultural policy — which is what this is all about? I am therefore 100% in support of Mr de la Malène's proposal that we decline to deal with this question at the present time, that it be presented by the Commission in more concrete form and that it be properly debated in the normal and natural way.

(Parliament rejected the request for withdrawal)

Mr Deleau (DEP). — *(FR)* Mr President, ladies and gentlemen, the report which I am to present to you on pharmaceutical products has been put on the order paper for Wednesday morning. But as you and many of our colleagues know, Mr President, on Wednesday morning we are expecting representatives from the ten Community countries for a meeting of the European Committee for small and medium-sized undertakings. I have two duties to perform — chairing the European Committee and presenting my report to the House — and my job would be greatly facilitated if my report could be held over until the beginning of Wednesday afternoon. Ladies and gentlemen, thank you for your understanding.

President. — Mr Deleau, I cannot agree to the beginning of the afternoon, but what I could do is change the items around so that we would take the debate on the Arndt report first and then the debate on your report, which could start at the end of the morning, but more probably at the beginning of the afternoon.

Mr Deleau (DEP). — *(FR)* I should be much obliged to you, Mr President, if that could be arranged.

(The House adopted the President's proposal)

President. — As regards *Thursday*:

- the report by Mr Ceravolo, on lead contained in petrol, Item No 53, was not adopted in committee and has therefore been withdrawn from the agenda.

Mrs Clwyd (S). — Mr President, with regard to Item 48 on Thursday's agenda, I have an oral question with debate on the social and economic integration of the disabled. This is in fact a motion of censure on the Commission for failing to carry out the recommendations made by this Parliament in 1981.

Now I am concerned that there should be a proper debate on this particular question, Mr President, and I would like to know precisely how much time is going to be set aside for it because it has been squeezed down at the bottom of the page and a lot of my colleagues with an interest in this particular question were not even aware that this debate was taking place. So perhaps you could make the situation clear. Otherwise, if proper time is not allowed for this particular question, then I shall withdraw it and seek to put it in during the special debate on employment, since, as you know, the main point I wish to make with this oral question is the lack of an employment policy for disabled people.

President. — Mrs Clwyd, I can only say that your oral question is included in the debate under No 48 and so falls within the general allotment of speaking time for the Thursday, apart from the topical and urgent debate. Therefore how much speaking time is available for it depends on the priority political groups give to the subject.

Mrs Clwyd (S). — Mr President, there is one other point I would like to make.

In other oral questions with debate recently in this Parliament, the Commission has made its comment at the end of the debate. Now that, I find, is an unsatisfactory procedure, because very often we want to know what the Commission has to say before the debate takes place.

In this situation, I wonder whether you could rule that on this particular oral question the Commission makes its statement before the debate takes place. Otherwise, we shall not be able to make a comment on the Commission's explanation for its lack of action.

President. — Mrs Clwyd, I cannot rule against the Rules. The Commission speaks at its request. I think politically it will be possible to come to an agreement with the Commission that it speaks in due time. But I cannot rule against the rules, as I said.

Mr Andriessen, Member of the Commission. — (NL) Mr President, to facilitate the parliamentary debate, the Commission is quite willing to State its viewpoint at the outset.

(*The President read out the changes to Friday's agenda*)¹

President. — I would inform you that the Council has requested urgent procedure, under Rule 57 of the Rules of Procedure, on the decision empowering the Commission to contract loans granted under the New Community Instrument. The Commission supports this request. The Council letter does not set out any particular reason for this request. It merely says: *'In view of the character of urgency attaching to this proposal, the Council would greatly appreciate it if Parliament could deliver its opinion at the April part-session.'*

I shall consult Parliament on this request tomorrow.

On 11 March last, Parliament referred to committee the report by Miss Hooper, on behalf of the Committee on the Environment, Public Health and Consumer Protection on containers of liquids for human consumption and decided that the Committee would report back within a month. The committee stated it could not meet this time limit and asked if it might report back at a later date.

Mr Johnson (ED). — Mr President, could we be clear, then, that the later date would be May at the latest?

President. — I will communicate that to the Committee on the Environment, Public Health and Consumer Protection.

Mr Johnson (ED). — Mr President, as I understand the Rules, it says under Rule 35(3):

If the committee responsible is unable to meet the deadline, it shall request referral back to committee . . . If necessary, Parliament may fix a new deadline . . .

I am suggesting that this Parliament fixes the deadline of May.

President. — Mr Johnson, we cannot do that because we first have to have a report before we can fix a deadline. As long as we do not have a report from the Committee on the Environment, Public Health and Consumer Protection, it is impossible to fix a new date.²

(*Parliament adopted the agenda thus amended*)

¹ See Minutes.

² Deadline for tabling amendments — Speaking time: see Minutes.

4. *Statement by the President*

President. — Ladies and gentlemen, without wishing to prejudge any political initiatives that might be taken this week, I should like to make a brief statement.

The process of bringing about a peaceful solution to the problems in the Middle East has suffered major setbacks over the weekend.

However, whereas political setbacks may well be recovered later, the loss of human lives cannot. It is therefore with profound emotion that we learned yesterday of the brutal assassination of Dr. Issam Sartawi, a man who for many years devoted himself with great courage to the quest for a peaceful, negotiated solution to the problems of the peoples of the Middle East.

We in the European Parliament have always strongly condemned any terrorist action whenever and wherever this has occurred. In our recent debate on the situation in the Middle East this sentiment was again loudly reiterated.

As President of the European Parliament I pay tribute to Dr Issam Sartawi for his quest for a peaceful solution.

(Applause)

5. *Action taken on the opinions of Parliament*

President. — The next item is the communication from the Commission on action taken on the opinions and resolutions of the European Parliament.¹

Mr Alavanos (COM). — *(GR)* I want to put a short question to the Commission. After a topical and urgent debate during the last part-session we adopted a motion for a resolution tabled by Mr von Hassel and others concerning the death sentences inflicted on members of the Baha'i faith in Iran. The Members who belong to the Communist Party of Greece tabled an amendment to that motion calling on the Commission to express concern over the fate of Nureddin Kianouri, the general secretary of the Tudeh, and this was adopted. In view of the fact that Nureddin Kianouri is still being held in prison, and is now perhaps in even greater danger, I would like to ask the Commission precisely what representations it has made to the government of Iran about this matter and what action has been taken by the Council and by Member State governments?

President. — Mr Alavanos, we have decided in principle to link questions connected with the Commission

communication with questions concerning consultation. Here we are dealing with an urgency. It is very difficult for the Commission to prepare for all possible questions. This evening, at meetings with the chairmen of parliamentary committees we shall be trying to work out procedures more satisfactory than the existing procedures. But I must ask you not to press this point because the Commissioner is absolutely unable to meet your wish.

Mr Pranchère (COM). — *(FR)* Mr President, the Council of Ministers of Agriculture has postponed fixing the 1983/84 agricultural prices by four weeks. I should like to ask the Commission a question: has it decided to take steps to compensate the loss sustained by milk producers and sheep and cattle farmers due to this delay? Has it decided to use this additional time to submit new proposals to the Council on the basis of the resolution passed by the European Parliament on 10 March, in particular a 7% price increase, a refusal to extend the coresponsibility levy and something which has now become very urgent, a plan to dismantle MCAs?

Mr Andriessen, Member of the Commission. — *(NL)* During the previous part-session on the firing of agricultural prices the Commission made known its viewpoint quite clearly concerning the proposals before the House prior to the vote taking. No changes have been made to our views on Parliament's recommendations in the interval. The fact that the Council has postponed a decision on agricultural prices beyond the date originally set is of itself little cause for the Commission to revise its proposals. Naturally I cannot predict the outcome of the discussions which have yet to take place. Otherwise the Commission hopes that the Council will be able to take the necessary steps, sometime in April, so that the interim measures to which the Honourable Member refers will not be necessary.

Concerning the phasing-out of the monetary compensatory amounts the previous arrangement still applies; a serious effort is being made to phase out these amounts but, naturally, within the timetable set for its accomplishment.

Mr M. Martin (COM). — *(FR)* During the last part-session the European Parliament passed Mrs Sylvie Le Roux's report on the fishing agreement with Guinea-Bissau. I should like to ask the Commission if it is prepared to answer the questions asked in this report, and when, particularly the questions on fishermen of the Member States exercising their fishing rights under the agreements reached with the developing countries, on coordinating fishery matters with the European Development Fund, and on financing training centres in African countries. In more general terms, is the Commission prepared to draw up and submit to this

¹ See Annex II.

Martin

House a detailed document on relations between the EEC and the developing countries on fisheries?

Mr Andriessen, Member of the Commission. — (NL) On the last question from the Honourable Member, namely whether the Commission is prepared to make a full report to the House committee and, if necessary, to Parliament in plenary sitting on the progress of these discussions and negotiations I can give an affirmative answer. As to Mrs Le Roux's report the Commission made known its views clearly on the various suggestions during the previous part-session's debate and has nothing further to add at this point in time.

Mr Hopper (ED). — Mr President, I rise to speak on two subjects. First of all, in the report which Mr Andriessen has kindly given us it is possible that under the heading C 1 the English version has omitted a few words. I wonder if the Commissioner would kindly confirm to us that it is the Commission's intention to make the study referred to in the second paragraph.

I have a question on a separate subject. Shall I ask it now or afterwards?

President. — Mr Andriessen is, I think, prepared to answer the first question.

Mr Andriessen, Member of the Commission. — (NL) Mr President, the answer to this question is yes.

Mr Hopper (ED). — On my second point, I understand that the Commission has decided to reject Parliament's opinion on cigarette-tax harmonization and that a letter has been written to you, Mr President, to this effect. This is a matter of considerable constitutional interest to this Parliament. I realize that the conventions governing this item do not allow us to discuss the matter here, but I wonder if the relevant Commissioner could make a statement later this week explaining the Commission's reasons.

Mr Andriessen, Member of the Commission. — (NL) I agree with the Honourable Member that the Commission, in feeling itself justified in proceeding with a proposal on which Parliament has issued a negative opinion — even where it is prepared to bring Parliament's considerations to the attention of the Council — is indeed a matter of institutional interest. And I fully appreciate the Honourable Member seeing in the Commission's course of action a matter which ought to be brought to the attention of the House. As to whether I would be prepared to elaborate on the contents of the letter in question or, alternatively, whether the Commission would be prepared to make a statement to the House in the course of this week, I can

assure the Honourable Member that, while not being at liberty to make commitments on behalf of the Commissioner directly responsible, I shall, nevertheless, bring his request to Commissioner Tugendhat's attention with my recommendation, for it is always useful to have an exchange of ideas on institutional aspects with Parliament in plenary session.

That being the case, Mr President, I feel it can serve little purpose to go into the matter at length under this point on the agenda. Let us rather leave it in the hands of those who intend to participate in that debate. I trust that my answer to the Honourable Member's second suggestion will suffice.

President. — I would merely point out that the agenda for this week has already been drawn up. I think therefore that this matter will have to be dealt with at a later date.

Mr Boyes (S). — Mr President, in the current issue of the journal *European Report* there is an item to the effect that later this month a conference is being organized by a non-EEC body on the so-called Vredeling report. As you are aware, whether one is for this report or against it, it did arouse a great deal of interest in this Parliament. The Commission is taking part in that conference and being represented, according to this item, by Mr Ivor Richard's *Chef de cabinet*. I would like an assurance by the spokesman for the Commission today that, if any information is to be given at that conference other than what has already been reported to Parliament, Parliament will later this week get a full report.

You might ask why I am so concerned. The reason is that in order to attend this conference individuals have to pay a fee of £ 145. Now I don't think it is appropriate that information should be given to people who are obviously going to be representatives of multinational companies, because they are the only people who could afford to pay £ 145 to listen to the *Chef de cabinet* of Mr Ivor Richard. That being so, it seems totally inappropriate that information can be bought that has not already been given to this Parliament. I would like an assurance from the Commission representative that nothing new will be stated there, in other words that people are wasting their £ 145 unless, of course, the Commission is prepared to tell Parliament in advance.

President. — Mr Boyes, I agree that this is a very interesting question, but in the context of the item we are dealing with right now it is a little bit out of order. Perhaps later you can raise it again with the Commission but not now.

Mr Hord (ED). — Mr President, during the last month the Commission has decided to abandon the

Hord

tendering system in respect of butter and other exports to the USSR and other destinations. I would like the Commissioner to tell this House how such action squares with the statements made by Mr Dalsager to Parliament on 19 February last year and on many other occasions when he insisted that the tendering system would be maintained if for no other purpose than to ensure adequate budgetary control.

President. — Mr Hord, this is also one of the items which we can only deal with in a satisfactory way with a different system of communication between the Commission and Parliament. We will discuss it with the parliamentary committee this afternoon in order, I hope, to ensure that this kind of dialogue can take place with the relevant Commissioner, because it is impossible for a Commissioner to know all the details you mention.

We agreed that we would only discuss the consultations listed in the Commission's paper.

Mr Hord (ED). — Mr President, I thank you for that ruling. May I just say that this is an action taken by the Commission within the last month. That was the purpose of raising it at this stage.

President. — Yes, but it is not a consultation Mr Hord. That is the problem.

Mr Gautier (S). — *(DE)* Mr President, when you discuss this matter with the President of the Commission I would like to point out that this action of the Commission's was announced earlier in the Committee on Agriculture, which debated it and informed the Commission and hence also the committee responsible.

President. — We cannot discuss this at this stage.

Mr Hopper (ED). — On a point of order, Mr President. Commissioner Andriessen kindly agreed to urge his colleague, Mr Tugendhat, to speak to us on the subject of cigarette-tax harmonization. I believe I then heard you say, Mr President, that since the agenda was agreed this could not happen during this part-session. My understanding of the Rules is that the Commissioners may address us at any time. I understand that under Rule 66(5) it would be in order for Commissioner Tugendhat to speak to us.

President. — Mr Hopper, Commissioners may indeed address us at any time on subjects entered on the agenda. That is not the case with the subject you mentioned.

Mr Purvis (ED). — Mr President, you may remember that last month I asked the Commissioner a question on Mr Jackson's report on the energy projects under the 1983 supplementary budget. He could not then give an answer. However, as Mr Davignon is wandering around the Chamber at this moment, I wonder if perhaps he could now answer the question as to what is happening with the list of energy projects in Germany and the United Kingdom under the 1983 supplementary budget.

Mr Davignon, Vice-President of the Commission. — *(FR)* A report on these two subjects is in the course of being transmitted to the Parliament, especially, as I had promised on behalf of the Commission, to the Committee on Energy and Research. It contains detailed information on the use of these sums. I think this document will be distributed in the next few days.

6. Aid to Vietnam

President. — The next item is the vote on the request for return to committee of the report by Mr Deniau, on behalf of the Committee on Development and Cooperation, on granting emergency aid to Vietnam (Doc. 1-1270/82).

The request to adjourn the debate has been withdrawn.

Does Mr Habsburg, who made the request for return to committee, which has already been presented in plenary, uphold his request?

Mr Habsburg (PPE). — *(FR)* Yes, Mr President.

President. — I must then, before putting the request to the vote, hear one speaker for and one against.

Mr Deniau (DEP), rapporteur. — *(FR)* Mr President, first of all I wish to confirm that the request to adjourn the debate, made by Mr Bord on behalf of my group, has been withdrawn, and this to facilitate the request for referral to committee made by Mr Habsburg which he has just confirmed.

We thought, and I in my capacity as rapporteur of the Committee on Development and Cooperation agree, that it would be unwise in the present circumstances to open a debate on the subject matter of my report. The Political Affairs Committee has admittedly presented an opinion but its opinion is based on an earlier report different from the present one. That means that we do not have at the moment an opinion from the Political Affairs Committee on the present report submitted by the Committee on Development and Cooperation. To

Deniau

avoid any confusion, I would like the Political Affairs Committee to study the present report which is very different from the one on which it has given an opinion.

Furthermore, there is the question of timing. In view of the present international situation and the fighting on the frontiers of Cambodia and Thailand I do not think it wise to examine this report at the moment.

And finally, the Vietnamese government does not appear so far to have taken the humanitarian measures which we think desirable. I really believe, Mr President, that the time will come when we will have to re-establish direct links between the Community and the Vietnamese people, and this will be to the particular benefit of the Vietnamese and other peoples of Indochina, those of Laos and Cambodia, as it will to the people of our Community. But I am convinced that the time is not ripe for a debate on my report, for the reasons I have just explained. I would like Mr Habsburg's request for referral to committee to be accepted by the House.

Mr Glinne (S). — (FR) Mr President, first of all on a procedural point, I should like to say that Mr Deniau's report should have been put on the agenda even if someone, on behalf of the Committee on Development and Cooperation, then requests its adjournment.

On the substance and very briefly, I should like to say that our group refuses to treat aid, especially food aid, as a political weapon. We believe the debate should be held now rather than be adjourned.

(Parliament adopted the request for referral to committee)

7. Breastmilk

President. — The next item is the report by Mrs Castellina, on behalf of the Committee on Development and Cooperation, on the International Code of Marketing of Breastmilk Substitutes (Doc. 1-962/82).

Also included in the debate are the following two oral questions with debate to the Commission:

- by Mrs Maij-Weggen and others (Doc. 1-1142/82), on behalf of the Group of the European People's Party (Christian-Democratic Group):

Subject: Action taken on the resolutions of the European Parliament on the International Code of Marketing of Breastmilk Substitutes adopted by the World Health Assembly (Doc. 1-541/81) and on the export of baby food to the developing countries (Doc. 1-668/79)

- Whereas, at its meeting of 16 October 1981, Parliament very clearly advocated a Com-

munity directive on the uniform implementation of the WHO Code on the export of baby food and the sale of baby food in the developing countries;

- whereas the Commission agreed, in the course of the debate, to present a directive;
- whereas this directive has not yet been submitted to Council or Parliament;
- whereas a recent I.B.F.A.N. survey shows that the WHO voluntary code is not being properly adhered to, since in its first year of existence 2 250 infringements by 54 undertakings from 37 countries — including a number of Community Member States — were reported;
- whereas, at a recent WHO meeting, it was admitted that governments and undertakings hardly ever implement the code;

The Commission is requested:

1. to give its opinion on the results to date of the voluntary code;
2. to give its opinion on the extent to which European undertakings are involved in the infringements;
3. to state what measures it has taken to persuade European undertakings of the necessity to duly implement the code;
4. to state when a directive on the implementation of the WHO code will be forwarded to Council and Parliament; by Mrs Krouwel-Vlam and others (Doc. 1-40/83):

Subject: WHO Code of Marketing of Breastmilk Substitutes

Can the Commission guarantee that a proposal for a directive on the implementation of the WHO Code of Marketing of Breastmilk Substitutes will be submitted to the Council by 1 October 1983 at the latest in accordance with the resolution adopted by the European Parliament on 15 October 1981?

Mrs Castellina (CDI), rapporteur. — (IT) Mr President, we are obliged to raise the question of baby food once again, despite the resolution adopted by a large majority in this Parliament a year and a half ago. In this resolution the Commission was requested to lose no time in drawing up a directive to ensure the uniform application of the code on the marketing of breastmilk substitutes. This code was approved by 118 governments, including those of the European Community, in the assembly of the World Health Organization held in Geneva in May of 1981.

If we are here discussing this matter again, it is not only because the Commission has failed to produce so much as a rough draft of this directive. It is also

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because the Commission has recently begun to assert that no directive is needed, since (a) another similar directive is theoretically in preparation; that is to say, a directive on food ingredients and certain matters related to labelling and packaging; and (b) a voluntary code is to be formulated in the meantime by the producing companies.

I would like to answer these two arguments briefly. Concerning the first: it is true that a directive on baby food is being prepared, but it is not the directive requested by this Parliament, for it does not regulate the advertising, promotion, and marketing of products for infants in the manner called for in the WHO code, which identified precisely these areas as potentially the most dangerous ones. We can feel nothing but amazement at the idea that a directive is superfluous because the producer companies are to work out their own voluntary code of conduct. Mr Devine, as is apparent from transcript number 19 of the minutes of the meeting of the WHO Executive Committee held on 24 January, has supported this view as the official opinion of the Commission, and we find this very disturbing. If the World Health Organization, after years of discussion, decided in May 1981 that certain principles of conduct should be embodied in the form of a recommendation, it is precisely because the voluntary code had proved totally useless. Moreover, the recommendation itself was considered a minimum requirement; a binding regulation would have been better. This position has been reaffirmed quite recently — in May of 1982 — by a new assembly of the World Health Organization. It is perfectly natural that a voluntary code should not suffice for, as *the Lancet*, an authoritative British medical journal, pointed out a few weeks ago, no code would be needed if the companies had voluntarily refrained from engaging in questionable practices. It is disturbing that the Commission, instead of using all this time to ensure that the WHO code is properly applied, has yielded to the companies by embarking with them on a series of negotiations aimed at depriving the code of its most incisive features. This objective is clearly apparent when we compare the companies' proposals with those of the World Health Organization. Such a comparison has been made by the Consumers Consultative Committee, which is an advisory body connected with the Commission itself.

For brevity's sake, I will give only two examples: according to the voluntary code supported by the companies, they can advertise to mothers directly, distribute free samples, and so on. The companies have a legitimate right to draw up their own voluntary codes; the Commission, however, is not equally justified in accepting such codes as the basis of its own directive, without taking into account the opinions of those representing the interests of other parties involved. This is exactly what the WHO code does.

For this reason, neither the directive being prepared by the Commission nor the companies' voluntary code

can take the place of the directive we have requested; a directive made even more necessary by the growing number of infringements of the WHO code, which is unfortunately only a voluntary one. I will quote only two figures: those provided by the European office of the Consumers Union, which, in the course of a small-scale investigation carried out together with the non-governmental organization War on Want, encountered 464 serious violations, all of them in Europe; and those furnished by IBFAN, which cites 14 985 160 serious violations recorded in 50 countries and involving 83 companies.

In conclusion, Mr President, and without going any further into the merits of a question which was studied so extensively in our committee, the Committee on Development and Cooperation holds that, in order to be consistent with the vote cast two years ago by the Community representative in the assembly of the World Health Organization and with the resolution adopted by this Parliament in October of 1982, we must call upon the Commission to honour its commitment to present a draft directive to ensure the uniform and comprehensive application of the WHO code.

(Applause)

IN THE CHAIR: MR ESTGEN

Vice-President

Mrs Dury (D). — (FR) I should like to remind you that this new debate has been initiated by the Socialists. What we are asking from the Commission is straightforward and has been explained by Mrs Castellina; we want a directive to ensure that the Member States respect the WHO code on marketing.

I shall supplement Mrs Castellina's statement by recalling the harm done by artificial milk in developing countries. The number of new-born babies in the third world who have died as a result of not being fed on breast milk is put at one million. The death rate of bottle-fed babies is three times as high as those breast fed. And whereas enteritis is the second cause of death in populations where babies are breast fed, it is the first cause in those where artificial milk has been introduced.

Furthermore, artificial milk is ill-adapted, over-diluted for economic reasons — it costs too much — and hence encourages malnutrition, often with long-lasting and irreversible effects. Mortality, malnutrition, diseases, infections — those are the sad corollaries of this food abuse.

Why such devastation? 67% of the inhabitants of the third world do not have access to drinking water; this

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method of feeding is inadequate for them as it requires drinking water, hygiene and the sterilising of bottles and teats.

Despite all these ill effects, described in numerous records, especially those of 'Frères des Hommes', many firms still keep on advertising these unsuitable, and hence harmful and deadly, products in the third world. Posters, radio advertising, free samples, labels with chubby-cheeked healthy babies, these are the methods still used. These are the excessive practices we must put an end to. And this brings us to the aims of the code proposed by the WHO which we recommend to the Commission.

But I should also like to draw your attention to another aspect of the results of artificial milk; it makes the developing countries more dependent on the outside. It increases their dependence on multinationals, it adds to the causes of their external deficit, too often entailing economic difficulties.

This House has laid down food-aid strategies to combat hunger in the world. The Commission must be consistent; it has an anti-hunger programme, it should also incorporate into that programme a directive on the WHO code on marketing. The director of UNICEF said that the advantages of breast milk over the bottle could even amount to the difference between life and death. I hope that this Parliament will not hesitate between the life and health of children in the third world and the interests of the multinationals, all too often defended here, and that it will ask the Commission to respect its commitments.

Mrs Rabbethge (PPE). — *(DE)* Mr President, ladies and gentlemen, the ancient Babylonian Epic of Gilgamesh says 'may God give you a generous heart and truthful speech'. I am sure everyone here is big-hearted towards mothers and children in Third World countries, but the real problem is illiteracy. People who can read will use breastmilk substitutes as directed. Our real task is thus to improve educational standards in the countries concerned, as I have told this House before.

Now for truthful speech. Here I must refer to the current legal position. Negotiations have been in progress for some time between the Commission and the manufacturers, and these will continue in the next few weeks. This shows that the Commission is taking some action. Briefly, the legal position today is as follows: The EEC has never adopted the WHO code unreservedly. Why not? The WHO code includes among other things a total ban on advertising. It would be very hard to introduce a ban of this kind in, say, the Federal Republic of Germany because it would contravene at least four articles of the German Basic Law by restricting: (a) free enterprise; (b) parents' right of choice, for example, which is incidentally guaranteed in every European country; (c) free speech and adver-

tising; and (d) it would also infringe EEC law. The latter may not be codified but certain fundamental rights have been declared valid and applicable in rulings of the European Court of Justice.

Any legal restriction must observe a sense of proportion between the means and the end. A voluntary code would definitely be preferable. Christian Democrats have traditionally given priority to voluntary action and individual responsibility before calling for official regulations. A legal ban on advertising will not prevent misleading advertising and certainly will not eliminate illiteracy. To paraphrase a well-known saying: an ounce of individual responsibility is worth a pound of bureaucracy.

(Applause from the centre of the House)

Mr C. Jackson (ED). — I would like to congratulate Mrs Castellina, who has done a very good job as rapporteur.

My group previously took the view that we should try voluntary control first, only proceeding to legislation if voluntary control proved inadequate.

Well, complaints of infringements of the WHO code have continued and give rise to considerable problems, not least because certain definitions in the WHO code are capable of different interpretations.

We have, therefore, come to the view that it would be right to have a directive as quickly as possible to clear up the confusion that exists. We shall, therefore, support the renewed call for a directive. I trust that the Commission will note that Parliament will now, I believe, support this more strongly. A directive will facilitate the task of the national authorities responsible for enforcing it, and it will assist in clearing up the ambiguities of which I spoke.

Mr President, there has been much excitement among the charities and consumer bodies about the so-called IDACE code — the code from the manufacturers. It reflects a responsible view, but a one-sided view of the argument, and that alone is not enough. What we want to see for the three or more years which it may take to get a directive in place, is clear guidance on the application of the code. A compromise it will have to be, but clear guidance, quickly agreed by the Commission, with all the interested parties. Guidance which can cut through the fog of ambiguity and mistrust of which I spoke. So I hope that the rapporteur and this House will support this important addition to the resolution which I have tabled in the form of an amendment.

Finally, I want to refer to my committee's major concern. An EEC directive cannot solve Third World infant mortality problems. It cannot solve the problems of polluted water in Third World countries; it cannot

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improve sanitation, it cannot improve educational standards there and general health standards. In short, it cannot eliminate the terrible effects of poverty.

We want to eliminate the harmful effects of bad marketing practices wherever they exist. But let us not forget that the poorest communities of all, where commercial baby milk is unknown and where breast-feeding is universally practised, have extraordinarily high infant mortality. What more can we do for these communities?

So I hope, Mr President, that this House will again call for a directive but also that it will return to these other fundamental issues. Issues which are not a matter for one debate alone, but which lie at the heart of our whole approach to helping the Third World.

Mrs Poirier (COM). — (FR) Mr President, the question under discussion should be an excellent opportunity for the Commission to give specific help to the developing countries. It bears a direct influence on the problem of hunger in the world and can have an immediate effect on the health and even the life of millions of children in the third world. And we do not believe, Mrs Rabbethge, that there are any so-called liberties of traders to offset the freedom to life for millions of children.

(Applause)

For the past two years the Commission has promised to draft a directive to ensure the application of the WHO code on trading in breast milk substitutes. We know that the developing countries want something along these lines. Not keeping a promise made to them, Mr President, has an important political significance; it is an intolerable form of pressure on these peoples's feeding habits, as has just been said.

But I should like to be convinced that this Commission action has nothing to do with the fact that a few big multinational firms control the trade in breast milk substitutes. Do we all realise that a firm like Nestlé makes 25% of its turnover in the third world? Fantastic profits are made in agricultural and food trade with the developing countries!

It is high time that the Commission releases its pressure and implements its commitments. At a time when everyone is happy to discuss the broad outlines of the Community's future development policy we believe that a specific decision can be taken here which will give more weight to the commitments the EEC will enter into in the next few years. Incidentally, I do regret that Commissioner Pisani is not here today to reply to this debate.

We shall support the Castellina resolution, Mr President, in order to force the Commission to follow the WHO code as it has promised, even although we too

would prefer more binding measures. But at any rate the WHO code is really the minimum that can be done for the health of these millions of young children who are suffering from hunger in the world.

(Applause from the left)

Mr Sablé (L). — (FR) Mr President, Commissioner, ladies and gentlemen, some 120 million children are born in the world each year. In the developing countries 100 million of them are exposed to the ravages of malnutrition, most often from before birth. More than 20 million babies are born under weight. More than 10 million die each year as a direct or indirect result of insufficient calories, proteins and vitamins. On the whole infant mortality is ten times higher in the third world than in industrialized countries, and even thirty times higher for children aged one to four years.

I have quoted these frightening figures with the coldness of statistics when we are talking about human lives in order to stress that this debate, a repetition indeed of one in October 1981, must not be distorted by any political or ideological motives. Infantile mortality seems in fact to be on the increase in many countries. There are many contributory factors, one of which seems to be the progressive decline in breast feeding. Some WHO experts maintain that children who are breast fed for less than six months or not breast fed at all are five to ten times more likely to die in their second six months of life than children breast fed for longer than six months. The reasons for this are easy to determine. The cost for a family in the third world of breast milk substitutes is 23% of the minimum salary in Peru, 35% in India, 63% in Egypt, compared with 3% in Great Britain. In addition to that, the mothers over-dilute the milk powder and use water which is most probably not sterile, so that the children suffer from intestinal infection, frequently resulting in dehydration and death. The bottle-fed new-born baby is also deprived of the essential elements in breast milk such as certain anti-bodies which are essential for survival in such an environment of constant exposure to bacteria.

Over the past few years a certain number of governments have tried to halt this disastrous disregard for breast feeding, by imposing a medical prescription for the distribution of baby food as in Papua-New Guinea, or banning all advertising for breast milk substitutes as in Sri Lanka, or nationalizing local branches of multinationals as in Algeria.

While these facts may lead us to condemn certain abusive marketing practices, we do not wish nonetheless to ban the use of breast milk substitutes. We know — and other experts confirm this — that mothers in the poorest areas must supplement their own milk with suitable food before four to six months so as not to retard growth. When a child is under fed at birth it is highly improbable that breast feeding alone will be

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sufficient for the first four months of life. If the European Community really wants to help developing countries provide adequate and healthy feeding for new-born babies, it must do everything possible to make these substitutes available to the mothers via the appropriate channels, such as hospitals, social centres and under the supervision of a qualified person.

As a member of the Liberal and Democratic Group I do not intend to disavow the principle of free enterprise and oppose perfectly legitimate trade activities. But this is not a reason for releasing firms which export baby food from their duty to respect the standards approved in May 1981 by the Assembly of the World Health Organisation, for what is at stake is very important, namely public health.

On that occasion the Community declared its support of the aims of the international code on marketing breast milk substitutes. This code of conduct has admittedly not been legally binding on the firms in question so far. But it was drawn up to serve as a model for legislators. It is first of all up to the governments of the third world to take national steps to develop educational programmes in their own countries and force exporters to conform to the principles and aims of commerce.

It is also up to the Community to set an example. This is what this House called for in October 1981 and it is not right that such little action has been taken. Simply harmonizing labels on baby food is not enough. We want to see the World Health Organization code uniformly applied in all the Community countries. For all these reasons, ladies and gentlemen, my group will vote in favour of Mrs Castellina's report reminding the Commission of its commitment given to us in 1981 to draft a proposal for a directive. I am happy to see that today's debate has confirmed the majority opinion expressed at that time.

Ms Krouwel-Vlam (S). — (NL) Mr President, Mrs Castellina's report now before us represents the second time within a short period that the House is dealing with the same subject matter, for her first report was also devoted to this theme. Not that I have any objection to this report, quite the contrary. Nor do I have the slightest objection to its subject-matter either. This subject cannot be brought often enough to the attention of those who, by virtue of the functions they occupy, are in a position to take active steps to alleviate the most serious hardship in the world. My complaint is levelled at the Commission. It is to blame for this Parliament having once more to devote a lot of time, energy and paper to a matter which could have been resolved quite some time ago if only there had been the necessary political will and drive. Back in 1981 the Commission gave Parliament an undertaking that it would draw up a proposal for a directive on the uniform application throughout the Member States of the WHO code of conduct. What good reasons does

the Commission have for not complying with its undertaking? As far as I can see, none.

On the occasion of the 34th annual conference of the WHO the code was adopted by an overwhelming majority which included the Community Member States, a fact which ought to expedite the elaboration of a Community directive. At various symposia, conferences, and through personal meetings representatives of the baby-food industry conveyed their readiness to collaborate on an implementation of the code. I say an implementation advisedly. I have my doubts concerning such readiness to collaborate, given the considerable number of abuses catalogued during the code's first year of operation.

Mr President, let us take a look at the reality: the goal of the baby-food industry is more one of increasing turnover than of promoting infant health. The large-scale publicity campaigns of this industry are nothing short of disastrous for the health of the babies in question. Health care is something we consider normal and is universally accepted as a necessity of life. But, when it comes to extending such care to our fellow men, and more particularly to our little ones, we go about it none too well, and commercial interests seem to count more than effective health care for large groups of the world's population who suffer enough already. Recommendations and voluntary codes have not had the desired effect. For these reasons Parliament is once again urging the Commission to draw up a draft directive on the implementation of the WHO code without further delay. Without further delay is rather vague so I think we could usefully say by 1 October 1983. A directive is the best way to ensure uniform application of the code and to provide for penalties where it is transgressed. Commission, get moving! Don't just lend an ear to industry; come out squarely on the side of the most vulnerable group in our society — infants!

(Applause)

Mr Vergeer (PPE). — (NL) Mr President, the Castellina report has a long history. As far back as 1980 the matter was raised by my group. This resulted in the first Castellina report, adopted by a large majority. During the 1981 debate on this report we were promised a directive by the Commission representative. Its failure to materialize resulted in the tabling of a new resolution by Mr Collins, culminating now in the second Castellina report.

Reports are still reaching us concerning the abuse of breastmilk substitutes. In the report by UNICEF (the UN children's organization) it is claimed that one million children could be saved by 1990 if only mothers could be persuaded to give up breastmilk substitutes and go over to breastfeeding. Furthermore the report catalogues the sharp decrease in breastfeeding in recent years. Thus in Singapore in 1951 eight out of ten babies were breastfed. The figure has now fallen to

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one in ten. In Mexico between 1960 and 1966 the figures fell from 95% to 40%. In Chile the relevant figures were 95% in 1955 and 20% by 1983. UNICEF ascribes the cause to the baby-food industry which, faced with declining turnover in the industrialized world, turned their attention to the Third World countries with their high population growth. This had, according to UNICEF, disastrous consequences. I shall let the events catalogued therein speak for themselves.

The annual conference of WHO recently turned its attention to the code which has now been in operation on a voluntary basis in WHO member states for almost a year. It found shortcomings in the code's implementation. I consider the need for a directive to be as justified as ever. In this respect some of the members of my group have tabled an oral question with debate.

The second Castellina report upholds the views expressed by the House with respect to her first report. Have any new facts come to light in the interval which would justify altering that point of view? I think not. Commissioner Narjes's letter to our Committee on Development and Cooperation as well as the deliberations within that committee bring into sharp focus aspects arising from the extra-territorial implementation of the code. I fully agree that we must make be very careful about the use of extra-territoriality in Community legal instruments, just as we expect the same of third countries, I also feel that the WHO's deliberations and the regulations expected to result therefrom are not in themselves sufficient reasons for opposition to the introduction of legal obligations, not even where exports are concerned. Furthermore, were the baby-food industry itself to draw up a regulation conforming to health norms it would still not exclude the desirability of enshrining such voluntary regulation in public law, on the grounds of fair competitive relations.

Be that as it may, one is forced to conclude that the export of breastmilk substitutes is still giving grounds for concern. There are various reasons for this, including the circumstances surrounding the use of such products. I am thinking here of illiteracy, polluted water etc. We are endeavouring to improve these circumstances through development cooperation. The circumstances being what they are, we should also try to control our exports in such a way as to eliminate as much as possible the negative effects they give rise to. This could conceivably be achieved through voluntary adherence to the WHO code, but we have not got that far yet. However, because of the competition considerations I mentioned earlier we cannot rule out a public-law approach and indeed I personally would be inclined to favour it.

Mr President, my group is not of one mind on this matter. I personally will be voting for the resolution and against all amendments aimed at diluting it.

Mr Narjes, Member of the Commission. — (DE) I am grateful to the House for giving me an opportunity to present the Commission's views on some important and controversial issues relating to breastmilk substitutes and the interpretation of the WHO code. I would like to concentrate on the two oral questions raised by Mrs Maij-Weggen and Mrs Krouwel-Vlam.

This debate has again revealed the complexity of the problems which have given rise to misinterpretations before. Although I have explained the situation both in a letter to the committee responsible and in my answer to an oral question raised by Mr Griffiths, Mrs Castellina's report makes too little mention of these two interventions. I would therefore like to summarize our point of view once more.

Let me state at the outset that the Commission is just as concerned about the day-to-day misery and misfortune afflicting infants and toddlers throughout the Third World and is just as committed to improving their lot as the Members of this House. Our problem is simply deciding on the most effective measures to combat this misery and misfortune.

Our point of departure is the WHO code, which defines its goal as being the safe and adequate nourishment of infants by protecting and encouraging natural breastfeeding. To the extent that breastmilk substitutes are necessary they should be used correctly.

The Community and its Member States have declared their unanimous agreement with this goal and we naturally abide by it.

The WHO code goes on to recommend a number of bans and restrictions which the Community and its Member States have said must be seen in the context of constitutional and general legal problems as well as social structures. Our position on this is also unaltered.

In other words, we cannot take any action that would conflict with the law, particularly constitutional law. Furthermore, any action we do take must be necessary for the achievement of the goal and must observe a sense of proportion.

Now what about the directive on ensuring the application of the WHO code in Member States called for by the motion for a resolution? I repeat, we are seeking the most suitable and expedient approach. Our attitude is no less constructive than that of all the other speakers and questioners in the House. But the point is, our hesitancy in this matter is due entirely to our belief that no directive could implement the fundamental objectives of the WHO code on its own.

Firstly, a directive would be less effective in non-EEC countries than an export undertaking by manufacturers based on a voluntary agreement.

Secondly, a directive could be enforced less stringently under the provisions of competition and advertising

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law within the Community than a voluntary agreement among producers.

Thirdly, a voluntary producers' agreement would have a greater impact, and an impact more in keeping with the WHO code's objectives, on relations between patients and hospitals than any Community directive. These were our reasons for hesitating. Voluntary control would be the best solution, in our view, with a directive as second best. Some kind of combination of the two would be a third but highly complex alternative.

Proceeding from this conclusion we wondered what the substance of such a directive could be, what it could be expected to achieve, and where the difficulties lay. And because a Community directive has these weaknesses as a legislative instrument, a draft voluntary agreement on marketing practices has been drawn up by the manufacturers themselves. We have discussed this draft once with the representatives of the Member States and will hear the opinion of the Advisory Committee on Foodstuffs next week. The matter has also been referred to the Consumers' Consultative Committee.

Unfortunately these three bodies — the Member States and the two advisory committees — have not yet completed their consultations. Without wishing to anticipate the result, I would not hesitate to state that, should these three bodies and Parliament recommend or vote for the second best solution rather than the best one, their decision would carry considerable weight with us.

Let me return to the problem of the effects outside the Community and repeat in essence what I said in October 1981. The Community has shown solidarity at an international level and especially at the World Health Assembly by expressly supporting the developing countries' request for a worldwide code — unlike some members of the WHO. We were undoubtedly instrumental in getting the code drawn up in the first place. Now each country — including non-EEC countries — must decide for itself how and to what extent to implement and enforce the code. This is entirely up to them, and is no concern of ours, in particular since the WHO code is merely a recommendation and as such leaves the organization's members considerable discretionary scope. We must not bring pressure to bear on other countries in an attempt to influence their sovereign decisions. That would be paternalistic and an anachronism.

I must add that the situation would be different if a non-EEC country were to approach us directly and ask us to take action against unacceptable practices on the part of, say, Community-based enterprises. We would not, of course, refuse such a request, if there was any way in which we could be of assistance. What we must not do, however, is intervene unasked in the independent decisions of non-EEC countries and try

to decide on their behalf what is good for them and what is not.

This means that we have reservations with regard to Section 2 of the motion for a resolution. We would have to review what the substance of such a directive could be. Now let me comment on the applicability of the provisions of the WHO code within the Community itself.

First of all there are the WHO code requirements on information and education with respect to infant feeding and this is a field in which the Member States are exceptionally active.

It is recommended that the manufacturers' practice of distributing free samples and equipment to medical institutions be curtailed, but I regard this restriction as unacceptable in the case of medical institutions such as private hospitals which depend on receiving regular supplies of free samples, since their scope of action would be severely limited.

I consequently doubt whether we can accept this complex en bloc. We must rely on the corrective influence of the respective national authorities, and this is a matter for which a directive is in any case the best instrument.

An absolute ban on advertising as envisaged by the WHO code would be unconstitutional in some Member States. This is something we cannot ignore. Moreover, such a ban would not reflect a sense of proportion, since — at least in the Community — advertising and promotion are not geared exclusively to influencing mothers' breastfeeding behaviour. The problems involved should not be oversimplified. Breastfeeding declined in Europe, to cite a concrete case, during the 1960s, but since then it has increased steadily and is apparently as widespread in the Federal Republic of Germany, for instance, today as it was immediately after the Second World War when no substitutes were available. Similar trends have been noted in non-Community European countries.

Advertising thus cannot be quite so damaging as it is sometimes sweepingly made out to be, the exception being aggressive promotion techniques which tend to idealize breastmilk substitutes, and on this point we are in agreement with most of the speakers. Such advertising would normally be described as misleading and would therefore be prohibited in any case by the existing directive No 12/79 on the labelling, presentation and advertising of foodstuffs. A voluntary agreement of the type I am advocating would help to control these abuses as well as clarifying the legal position. The same applies to the distribution of free samples.

Let me turn to the subject of medical institutions, post-natal clinics and their staff. Here we find a very varied situation in the Community. Some Member States operate a public health system only, while

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others run a mainly private system, but where there are private institutions these are naturally subject to control and supervision by the authorities and this in itself guarantees that the necessary educational and disciplinary measures are taken without the Community necessarily having to issue a directive.

As to quality and designation, there can be no question that these are matters for the respective national governments. The Commission is working on a proposal for a directive on the composition and labelling of baby foods, and this, incidentally, is what the much-quoted statement of October 1981 referred to. The Scientific Committee for Food has been asked to submit a report, and as soon as that is available — which will be this summer — the proposal will be finalized and the usual consultations held.

As regards the application of the WHO code, I would like to point out that the Commission is already preparing its preliminary report to the World Health Assembly. It then has to pass through the usual consultative procedures with the Member States.

Let me summarize the position. The Commission regards voluntary control for Community-based producers operating outside the EEC, an advertising ban and a restriction on other activities which could not be prohibited by a Community directive as the most appropriate solution. If a voluntary agreement cannot be reached, or cannot be reached in time, we will of course immediately issue a directive, making it as extensive as possible and more comprehensive than the labelling provision mentioned above. We shall not postpone these decisions much longer. We expect to have by May all the information we need to assess whether voluntary control has any prospects of success or whether a voluntary arrangement can be found which is confined to areas that are beyond the scope of a directive.

We have been asked to submit reports, and although we are always willing to do so, indeed we are prepared to report more comprehensively than to the WHO, it appears that those who tabled the motion may want more detailed information on breastfeeding than actually exists in the Member States. I would therefore like to discuss the nature of these reporting obligations in detail in committee on the basis of the material available. This is not, however, an essential point.

We consider request No 1 acceptable, request No 2 acceptable in substance, and requests Nos. 3 and 4 acceptable. Requests Nos. 5 and 6 are acceptable in principle.

(Applause)

President. — The debate is closed.

Vote¹

8. *Flag for the European Community*

President. — The next item is the report by Mr von Hassel, on behalf of the Political Affairs Committee, on the adoption of a flag for the European Community. (Doc. 1-1194/82).

Mr von Hassel (PPE), rapporteur. — *(DE)* Mr President, Ladies and Gentlemen, a motion for a resolution on the adoption of a European flag was tabled at the beginning of the first session of this directly elected Parliament which proposed that the flag of the Council of Europe — twelve gold stars on a blue field — be used.

The history of this flag is nearly as long as that of the Council of Europe itself. The question was considered from 1949 to 1955, and then the Parliamentary Assembly and the Committee of Ministers decided unanimously to adopt this flag.

Experts, heraldry specialists and politicians were all involved in the discussions. The symbolic aspect played an important part in the debate, and no disagreements arose. The reasons for adopting this particular flag were entirely convincing. An emblem was wanted to represent European unity that could be used by the official institutions and displayed by organizations and private individuals as well.

The number of stars was discussed, some suggesting six, that being the number of member countries at the time, others proposing twelve. The possibility was talked about of the flag incorporating the same number of stars as there would eventually be Member States. The outcome was that twelve stars were chosen because twelve symbolizes a whole. Six does not have this connotation. If the flag had twelve stars there could be no suggestion of adding new stars should the Community one day number more than twelve member states. Twelve has a symbolic value: the twelve signs of the zodiac stand for the whole year and the whole universe. The twelve months symbolize the whole year, and two periods of twelve hours the whole day. The circle of twelve stars on a blue field would represent completeness and diversity, it was said, and thus embody Europe. The number of stars was settled once and for all, and there have been no further disputes about it.

This decision was reached 25 years ago, and 25 years ago the blue flag with the twelve stars was adopted. It was the flag of the Council of Europe, but at the time there was no other institution that could have been

¹ See Annex I.

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consulted. The Council of Europe stood for Europe then, and its flag has attained far greater popularity than the organization itself. It appears in numerous publications, for example those of the European Council of Towns and many European organizations. All twinned European towns display it at their boundaries. It signifies much more today than just the emblem of the Council of Europe.

The Consultative Assembly and subsequently the Committee of Ministers expressly encouraged other European institutions looking for an emblem to adopt this one. There was general agreement that Europe should be given a symbol with which its peoples could identify. Let me repeat: the Parliamentary Assembly stressed the importance of adopting a common symbol to represent European complementarity, solidarity and a sense of unity. Separate symbols would jeopardize European unity, solidarity and complementarity.

Another question was whether European institutions should be allowed to insert additional symbols in the circle of stars, e.g. an 'E' for Europe or 'EPPE' for the European Parliament, or initials symbolizing the Commission, the Council, the European Court of Justice or the European Audit Office. The issue was deliberated at length by the Political Affairs Committee and a motion to this effect was rejected by a large majority. To create closer unity between the European peoples clear, plain and above all uniform symbols are required; not a blue flag with twelve gold stars representing one organization, a blue flag incorporating a gold laurel wreath and 4 initials representing another, or a magnificent design of a bull representing yet another. Other suggestions were a green flag with a white 'E', known as the flag of Churchill's underpants, and the flag of ancient Macedonia, which has appeared from time to time. Such an abundance and variety of flags would be detrimental to the process of European unification.

I would like to comment on two of the ten requests tabled for an amendment. Both of these propose holding a competition to design a new flag, awarding prizes and choosing a winner. To my mind this would be the end of the idea of European unity. The Parliamentary Assembly decided, as I said, unanimously in favour of this flag, and so did the Committee of Ministers. Other European institutions were expressly encouraged to adopt it with the deliberate and valid intention of fostering unity.

As I said just now, there are several thousand town twinnings. Each of these towns displays the blue flag with twelve gold stars proposed by the Political Affairs Committee. I therefore propose adopting it as the European flag. Since we cannot decide this matter on our own, I have talked about it to the other party concerned, the Parliamentary Assembly of the Council of Europe whose retiring president, Mr de Areilza, and Secretary General, Mr Karasek, are both overwhelmingly in favour of it. I received the same response from

the president of the committee to which this question has been referred, the French Senator Mr Jung. I would thus appreciate it if you would vote for the report and reject the ten requests for an amendment.

(Applause)

Mr Glinne (S). — *(FR)* Mr President, ladies and gentlemen, we in the European Parliament welcome this opportunity of debating the subject of a flag for the European Community. Without wishing too much official decorum we nonetheless believe this could be a useful and important symbol for democratic and pluralistic countries in their joint attempts at European integration.

We do not consider it wise, however, to take over, however indirectly or craftily, the flag of the Council of Europe. We think that we should avoid confusing the institutions which claim to represent the European ideal and that the European Community should have a specific identity. We are therefore unable to accept the initial resolution in the terms proposed.

We feel, on the contrary, that we should seize the opportunity presented by this proposal of consulting the European public on the future of Europe, that we should give this more publicity and more chances for the public to participate, for example by organising a competition in the ten countries of the Community — and I mean the Ten, not another number, and the Community, not the Council of Europe which is already taken care of in this respect.

That is why, Mr President, we would have preferred this afternoon to see this subject referred back to committee for further, more detailed study. But after having examined the amendments tabled by many Members, we no longer intend to move referral to committee, as we believe the amendments, and strangely enough those amendments tabled by Messrs Segré and De Pasquale and Mr Jackson, fit the bill. We shall support these amendments in the hope that the vote later in this House will enable the Community — and not the hazy Europe where everything is all mixed up — to have a dignified official symbol.

Mr I. Friedrich (PPE). — *(DE)* Mr President, ladies and gentlemen, the European Community is always having trouble with its image. To date we have no president, no prime minister and no coat of arms, and added to this there is confusion between the European Council, the Council of Europe, the European Parliament, the EEC Commission, etc. This was one of the reasons why some friends of mine and I came to the conclusion that what we need is a common symbol. Symbols have emotional appeal, and the European Community must lose its appearance of being merely a common statistical entity.

Friedrich

A European flag would not, of course, solve all the major problems currently waiting for attention, but it would be another joint move against national egoism and the individual pursuit of selfish ends. To quote Mr Coudenhove-Kalergi, we Europeans need European patriotism and a community of interests.

I appeal to you to retain this common symbol of the blue flag with twelve gold stars and not to opt for a complicated competition procedure. The result cannot be any improvement on the present flag, and we need a common symbol.

It would be a mistake for the European Community to introduce a new symbol. We need European unity and that is why I am asking you, also on behalf of the rapporteur, to vote for this blue flag with twelve gold stars. Say yes to the von Hassel report and reject all ten amendments, since they would only water down the report.

Mr Bøgh (CDI). — (DA) Mr President, there is much talk in the von Hassel report of the need to have a symbol for the European Community. But it seems to me that we are confusing heraldry and symbolism. Heraldic devices can be created, but symbols are not things we can bring into being simply by saying 'so ein Ding müssen wir auch haben' (that's something we must have too). They are not at all something which can be simply taken over from another organization, which is what is at issue here. Symbols come into being spontaneously, when there is a message which seeks to take on a form. Symbols are a vehicle to convey things which cannot be expressed in words.

I should like to dwell a little on what the word 'symbol' actually means. It comes from the Greek verb 'symballo', which means to put two things together. It originates in the practice of Greek warfare, in which an order passed from the high command to the general in the field was legitimized by the fitting together of the two halves of a broken staff, one of which was in the possession of the high command and the other held by the general in the field. Only when the two fracture planes had legitimized themselves by fitting together could the message be passed on.

A symbol is therefore something which corresponds to a fracture plane, and that fracture plane, in the case of the flag showing the twelve stars, is a fracture plane which is in the possession of the real European community, namely the 21 Member States which make up an organization of such size that it really can be said to represent Europe. But it cannot be taken over without further ado by a bloc of Western European countries which on rhetorical occasions is pleased to call itself 'Europe'. For the message of the 10 nations is not automatically the message of the 21 nations. The Council of Europe has not the EEC's fracture plane in its possession and vice versa. We know that there are countries among the 21 in the Council of Europe

which could have belonged to the Community of Ten but did not wish to join. We know in the case of one of them — Norway — that its population in a referendum said a clear 'No' to the Community's message. We should therefore refrain from the confusion of symbols which is planned here. It would be just as artificial as all the other symbolic devices which are intended to show that the EEC wants to be a state. The Community driving licence, the Community postage stamp, the Community passport etc. Let us have respect enough for symbols not to go creating them, as if they were heraldic devices, and using them for propaganda purposes, as is the idea in this case.

Mr C. Jackson (ED). — Mr President, Mr von Hassel asks us to scrap our flag and adopt the Council of Europe flag. I respect Mr von Hassel very much indeed, but I think his resolution leads us sadly astray. The European Community is both more important and more united than the Council of Europe, but it is also perhaps fatally weak in its human dimension. From time immemorial, a flag has been a rallying symbol and the European Community needs such a symbol — something appealing more to the imagination than, with all respect to the Commission, a picture of the Berlaymont or something like that. The Community needs its own symbol, not simply that of other countries from Turkey to Sweden. So I ask your support for a competition to choose a flag — perhaps incorporating the circle of stars, but *our* flag which could be flown by any Community citizen, a flag in recognition of our unique aspiration to European Union, a flag which can be flown in recognition of the fact that we have an elected Parliament.

Mr Turner (ED). — Mr President, I must say that I agree entirely with what Mr Glinne said, that we want something which represents the 10 Member States, not something else. Mr von Hassel's proposal for the flag of the Council of Europe is, I think, inadequate. It is perfectly satisfactory as a basis for a European flag for us, but it is, in itself, not sufficient for the EEC. In his report, it is specifically said that the Council of Europe, when it adopted this flag, took the view that other institutions would wish to differentiate themselves by setting something in the centre of the ring of stars, and I believe that is what we should do. I think it would be foolish simply to have the flag that they have. I have therefore proposed Amendments Nos. 9 and 10, which, I am sorry to say, were distributed rather late. These propose that we adopt the Council of Europe flag as the basis, but that we have a competition for a specific symbol to be placed in the centre of it. In my own case, I have had four years' experience using a flag in my own constituency which has, in the centre of the ring of stars, a map of the 10 Member States, and I must tell you that every time anybody sees it, they say, that is the EEC. That flag has done what flags are meant to do: it has told people what it stands for. I do not say that we should all have my

Turner

flag, although I like it. I think there should be a competition for the most appropriate central symbol in the middle of the Council of Europe's flag and we should not settle for Mr von Hassel's inadequate proposal.

Mr Narjes, Member of the Commission. — (DE) Mr President, the Commission thanks Mr von Hassel for his report and the renewed stimulus he has given to discussion on the matter. The Commission welcomes the European Parliament's initiative in seeking a flag for the Community.

The citizens of Europe have a legitimate need to give outward expression to their membership of a major European organization by identifying with symbols. A common flag has special significance, especially to the extent that it reflects a broad spectrum of political agreement among Europeans and European institutions.

The Commission regards contacts between the President of the European Parliament and the President of the Parliamentary Assembly of the Council of Europe as valuable and useful. It awaits the results with interest. In the light thereof and of the motion adopted by this House the Commission will be pleased to present suitable proposals for a formal resolution of the Community organs on the adoption of a common flag.

President. — The debate is closed.

Vote¹

After the rejection of Amendment No 2

Mr C. Jackson (ED). — Mr President, I wonder if we could check the quorum, please.

(The request for a quorum was not supported by nine other Members)

9. Energy

President. — The next item is the report by Mr Purvis, on behalf of the Committee on Energy and Research, on

The proposal from the Commission of the European Communities to the Council (Doc. 1-773/82 — COM(82) 357 final) for a regulation on the payment of financial incentives in support of categories of investment in the rational use of energy (Doc. 1-1345/82).

Mr Purvis (ED), rapporteur. — Mr President, the Committee on Energy and Research supports the Commission's proposals to promote the rational use of energy. This follows up the Parliament's position in its previous resolution of 14 June 1982 and our voting of 1 million ECU in the 1983 main budget and a further 35 million ECU in the 1983 supplementary budget.

On this occasion, however, we are asked to look at the detail of what in many ways is the centre-piece of the Commission's energy policy, i.e. the means of achieving the objectives agreed and repeatedly enunciated by the Member State Governments, also as part of the Venice agreement with the Americans and others.

To refresh memories, the objectives are broadly: to use the energy sources available as wisely and as sparingly as possible; to replace imported energies, especially oil, with indigenous supplies wherever this can be economically justified; to promote research, development and use of renewable sources of energy in place of finite sources. A major concern is to reduce the drag on economic growth caused by insecurity of energy supply and sudden dramatic upsurges in energy costs.

Undoubtedly, economic pricing has been, is and will be a primary incentive towards achieving these objectives. But it is also, in our view, legitimate to mobilize financial resources for use as incentives towards the necessary investments; and given that the Community's resources for this purpose are ridiculously limited, it is important to find a means by which such funds have the maximum effect. The Commission has, therefore, decided to apply its resources to interest-rate subsidies of 3% and to limit administrative expenses as much as possible by using the existing machinery of the Investment Bank and the European Coal and Steel Community lending arrangements.

It is hardly the Commission's fault if the resources are inadequate. Indeed, criticism from some Member State Governments that the impact will be minimal sits badly with their unreadiness to provide more adequate resources. Except for the Parliament's dogged insistence, there would have been nothing in the main 1983 budget, and we are fortunate that the supplementary budget provides a more significant fund. With this money available, it is important that the proposal now proceeds through the Parliament to the Energy Council for approval at its April meeting. It was, therefore, our prime concern in the committee to improve the proposal, to meet as many as possible of the criticisms that the Member States had made as well as other interested parties.

I hope, therefore, the Commission will accept that our amendments are made in the most positive spirit and that they will not, by refusing to accept them, force us, very unwillingly, to delay it.

One criticism which we have tried to meet is that 3% off interest rates is going to make little difference to

¹ See Annex I.

Purvis

investment decisions when the undertakings concerned are strapped by overriding cashflow constraints and when survival in the short term is more important than longer-term profitability by saving energy costs. To meet this, we have added the option, where appropriate in the view of the Commission and the Investment Bank, to capitalize the interest-rate rebate in the form of a postponement of initial payments of interest in principle. This upfront financial abatement could be a very significant incentive to undertake desirable investments.

Another criticism comes from those Member States with lower-than-average domestic interest rates. To meet this valid point, we have added a clause permitting the interest-rate subsidies to be applied to loans raised from sources other than the European Investment Bank and the Coal and Steel Community.

The project's practicality would still have to meet the Commission's criteria. The lending institutions permitted to make such loans would have to be themselves acceptable to the European Investment Bank, which already has a list of banks acting as its agents, a list which could be expanded to include all prime banks with a proven record of credit appraisal.

As for the complaint of administrative cost, the committee preferred the argument that indeed administrative costs could well be less with much of the responsibility for administering of the loans delegated to outside institutions. We did, however, accept on balance the Commission's argument that it was administratively simpler to have a standard rebate of 3%. Frankly, we should like them to have another look at this point as suggested in paragraph 4 of the resolution. Obviously, 3% off a 6% rate of interest is a much greater incentive than 3% off an 18% rate of interest. It would seem much fairer and not insuperably complicated to find a way round this problem. May I suggest a formula such as 25% of the gross rate of interest charged on the loan?

Inevitably, the aspect of this proposal which excites greatest activity and interest is the list of categories. The committee accepts that this list must be restricted because of limited funds and because too scattered an approach might mean lack of effectiveness. For this reason, we decided against the Transport Committee's proposals for an all-embracing scheme in the transport sector. The reasons are detailed in paragraph 10 of the explanatory statement. Energy saving in transport has been discussed and should be discussed as a separate subject in its own right. There would be an undue dispersion of resources and transport is not absolutely excluded from the proposed new fifth category.

Having said this, the committee did consider that the list of categories should be broad enough to give the scheme as a whole a chance to show its full potential and so justify continuation and expansion. With these considerations fully in mind, we felt it essential to have

an additional category in the energy-saving fields. Unlike the four categories proposed by the Commission, this category concerns itself with energy consumption rather than supply. Secondly, it would be of interest to the generality of industry including small- and medium-sized enterprises in this European year of the small- and medium-sized enterprise. Thirdly, it does not exclude what is perhaps the biggest of all potential areas — housing. Fourthly, it provides an opportunity to use the global loan agent bank route as a way of applying such finance.

Most of our other amendments to the Commission proposal are necessary to bring it into line with these more major changes. In category 1, however, we have added combined heat and power to district heating to try and use some of the criminal waste of heat from existing power stations and industrial plants. In categories 2 and 3, we have broadened the scope from being just coal to solid fuels in general, thus including coal, lignite and peat. In Article 5, we have insisted that these financial incentives will be additional to other financial measures provided.

The motion for a resolution backs up these amendments and in addition suggests the importance of using independent advisers and experts in the selection procedure. We also ask the Commission to report back in 12 months so that we can adjust and, we hope, expand and broaden the scheme if it seems so desirable.

Mr President, the Committee on Energy and Research recommends this report to the Parliament — a report and list of amendments to the proposal which were accepted unanimously in the Energy Committee. I hope that the Commission, too, will feel able to support our approach to amend its proposal. The chances of persuading the Council of Ministers to approve the proposal rapidly, so that we can get going with this promising and very important project, would then be that much better.

Mr Notenboom (PPE), draftsman of an opinion for the Committee on Budgets. — (NL) Mr President, the Committee on Budgets has just completed its perusal of the main features of the Commission proposal and the Purvis report. On behalf of the Committee on Budgets I can state that we heartily welcome and support the Commission proposals. They are in line with the 1984 budget guidelines contained in the Scrivener report. Quite modest resources from a small Community budget can be put to very good effect by means of interest-rate subsidies since they exert a leverage effect via the loan capacity accruing from other factors which in turn strengthens and improves them. This also is in line with our committee's thinking.

However, Commissioner, we deeply regret the absence of an accompanying financial note. I would urge the Commission not to neglect this side of things since it makes our work a lot easier. Directives of the

Notenboom

type now under consideration should always be accompanied by a financial note since it greatly facilitates an overall appraisal. The Committee on Budgets regrets its absence in this case. This in no way detracts from the fact that we can gladly support the broad outlines of the Commission proposal.

I should like to raise two points on behalf of the Committee on Budgets. Firstly we are somewhat chary about the proposed fifth category which the Committee on Energy and Research would like to add. You will appreciate the reasons for this. We are not concerned with energy aspects, but rather with budgetary considerations. In the absence of an estimate of the proposed expenditure we must continue to remain somewhat chary but we shall be following Commissioner Davignon's comments on this with great interest later on.

Finally, our greatest reservation concerns amendment No 10, tabled by Mr Purvis. It may be a matter of mis-translation. The Purvis amendment says 'will be additional', while the Commission text says 'may be additional'. If Committee on Energy and Research amendment means that these subsidies will only be granted in the context of national subsidies we would find it unacceptable. It would be going against the line adopted by this House, namely a less national and a more Community approach. If, however, the amendment merely refers to a substitutive or additional character, we would have less to object to. This is therefore another matter on which we would like to have the Commissioner's comments, and once these matters have been cleared up the proposal can remain unaltered.

Mr Davignon, Vice-President of the Commission. — (FR) Mr President, I appreciate the opportunity of speaking in the debate this evening as I wished to reply personally on behalf of the Commission to the various questions.

First of all I should like to thank the Committee on Energy and Research for its support of our proposal, as the present situation of the general economy and energy market force us more than ever before to provide ourselves with the means of achieving our energy aims. It is quite clear that if there is no incentive to invest there will be no incentive to use energy rationally.

Mr President, let us take the questions asked this evening in order.

Firstly, the question of the system we have proposed, or the system favoured by the Committee on Energy and Research, of extending rebates to national loans or national systems; I think that here we must understand clearly what is involved. Our system and the Committee on Research and Energy's system — and this answers Mr Notenboom's last question — do not

necessarily entail state intervention. There is quite clearly flexibility here, and no obligations. Here the notion of additionality is not a condition of Community aid. Indeed we thought it would be wrong to make that a condition; it would open up a whole series of awkward discussions again.

Secondly, can the system be applied to national aids or loans? Here we have a problem of modalities which I promise to study, because our money is the European Investment Bank. We must at least ensure that the European Investment Bank's agents are the usual ones for this kind of transaction, otherwise we shall be faced with a wide complexity of agencies and institutions which will make different analyses for us.

This must be studied carefully together with the European Investment Bank and I promise to do so.

And then there is a whole series of amendments and proposals from the Committee on Energy and Research which are perfectly acceptable to the Commission, whether they refer to solid fuels or whether they make specific references to examples in gasification, and so on. That does not create any problems.

Then we have the question as to whether we should at this stage introduce a category 5 defined in fairly broad terms in the investments reserved for energy saving measures. On this I should like to say to Mr Notenboom that I am sorry there is no accompanying financial statement. I have had this checked; the statement has not been made. A technical slip-up. I shall make sure this does not happen again.

We obviously must have a clear picture of the budgetary situation. The Council has refused to write in any amount at all for interest rebates for 1983, for the amounts which appear in the 1983 budget were put there on Parliament's initiative. We had wanted twelve million for the first year of the scheme. There are six million instead of twelve million. So I do not think it a good idea to write in the fifth category as of 1983. On the other hand, and I think that this ought to please the Committee on Energy and Research and the Committee on Budgets — and I promise to propose this on behalf of the Commission during the Energy Council meeting on 21 April — we intend to widen the application of these rebates to energy saving sectors and activities as proposed in Parliament's amendment, to make an addition to the regulation in its present form and to introduce it when we submit our budgetary requirements for 1984. Thus Parliament will also be consulted on the modalities. The management procedure must be correct. The very heading category No 5 raises a certain number of questions as to the management and granting of these rebates. I think that the Committee on Energy and Research will agree. So we must be operational from 1 January 1984 through an addition to the regulation and a suitable budgetary formula for the increase in expenditure required by the widening of the scope of the regulation. I think that

Davignon

under these circumstances the Committees on Energy and Research, the Committee on Budgets and therefore Parliament will be satisfied. This is how we can settle matters specifically.

To sum up, Mr President, I should like to thank you for having called me to speak this evening. We are very grateful to the Committee on Energy and Research and to Parliament which incorporated energy expenditure into its priorities for the 1984 budget. We accept all the amendments tabled by that Committee.

As regards category No 5, I would ask Mr Purvis to accept a promise on behalf of the Commission to introduce a fifth category, to inform the Council on 21 April, to define the specific modalities of it together with the Committee on Energy and Research, to put figures on it in budgetary terms so that in the 1984 budget we can pursue the policy of interest rebates for

the four existing categories. That would be round about 30 to 40 million EUAs after the first year, plus the additional money earmarked for the fifth category. I think that this is the proper way to pursue our aims and respect the various concertation procedures with Parliament whose support is indispensable. Indeed, the House knows that full well; without Parliament's support in the energy policy, we would make no headway whatsoever with the Council which apart from some declarations of principle remains extremely reticent when it comes to taking specific action.

(Applause)

President. — In view of the lateness of the hour we shall break off the debate here and resume tomorrow.¹

(The sitting was closed at 8.10 p.m.)

¹ For agenda of next sitting see Minutes.

ANNEX I

10. Votes

This Annex records the opinion of the rapporteur on the various amendments together with explanations of vote. For details of voting please refer to the Minutes.

CASTELLINA REPORT (Doc. 1-962/82 'Breast milk'): ADOPTED

The rapporteur was:

— AGAINST all amendments

Explanations of vote

Mrs Hammerich (CDI). — (DA) The whole practice surrounding the sale of breast milk substitutes is a matter of grave concern and is a crime against women and children in the developing countries. Condemnation alone is not enough, there is a need for legal rules. Firms which earn money from these selling methods do not heed appeals and recommendations.

Today we voted against the amendment supporting a voluntary code on a proposal from the big firms in IDACE. For the Community to adopt the IDACE proposal would be to boycott the WHO code. This affair demonstrates the ill-advisability of sitting down to wait for the Community to do anything effective in controlling the multinationals. The Community has dragged its feet and has allowed itself to be guided by the interests of the producers, not the consumers. Denmark should take the lead in following the WHO code, for we are number four in the EEC in the export of breast milk substitutes to the developing countries. The Danish firm Dumex is infringing the code. But Denmark has frittered away the time and waited for the Community — even when in 1979 the Scandinavian countries decided to take joint action. Denmark did nothing to make the code binding, but a great deal has been done in Sweden, where a code has been produced which is broadly in line with that of the WHO.

The breast milk substitutes affair is a textbook example of the way in which EEC membership dissipates political responsibility, hives us off from Scandinavian action and prevents us from honouring our responsibility to the UN. We do not want to wait for the EEC. Along with other popular organizations in Denmark, we want to take concrete action to secure the implementation of the WHO code by our government. We call on all others to do the same.

Mrs Pantazi (S). — (GR) Mrs Castellina's report deals very rightly with the application of the code of marketing of breast milk substitutes. We wish infants to have real protection against the nutritional deficiency, disease and higher mortality rates which occur when breast milk substitutes are marketed for use in unsuitable circumstances, and therefore we believe that the Community should have no reservations about introducing a directive to ensure compliance with the WHO code.

We Greek Socialists agree completely with this report and we shall vote for it. Moreover, our country has accepted the code and will shortly be giving effect to its main provisions. We want to use this opportunity to castigate the Commission for its reprehensible failure thus far to draw up a proposal for a directive to ensure uniform application of the code in line with the undertaking it gave to Parliament on 15 October 1981. Anything short of a directive will only serve to benefit the financial interests of certain baby food manufacturers in the EEC.

Mr G. Fuchs (S). — *(FR)* I should like to ask the following question: Who should actually make Community policy? Is it the governments and the people's elected representatives, as we are, or is it the company bosses?

Commissioner Narjes spoke ironically, although I think involuntarily so, of an 'excellent agreement' proposed by the manufacturers themselves of baby food. But if we had believed in the voluntary commitment of company bosses to limit working time, how long would European employees still be working today? If we had believed in the voluntary commitment of company bosses to fix a decent minimum wage, would European workers today still be able to feed themselves decently? If we had believed in the voluntary commitment of company bosses to ban substances dangerous to the consumer, what surprises would we not still be having in our hospitals? So how can we still believe today in a 'voluntary commitment' of the food manufacturing multinationals to limit spontaneously their profits from the sale of baby foods? We live in a society governed by law and it is only the law, in other words for us Members of the European Parliament, it is only a directive which can advance our society. As the amendments to Mrs Castellina's proposal for a resolution have been rejected, I shall be happy to vote in favour of this resolution.

(Applause)

Mr Alavanos (COM). — *(GR)* First of all I want to express sadness at the position taken by the Commission concerning the matter under debate. With its vague promises about so-called voluntary agreement by the manufacturers, about dispelling ignorance and about initiatives by the countries concerned, it has effectively espoused the view that universally important matters such as the growth of infants and children — chiefly in the developing countries — should be subordinate to the rush by the multinationals to maximize profits.

Those of us who belong to the Communist Party of Greece will be voting in support of Mrs Castellina's motion for a resolution. On a more general note we wish to say that it is important that effective measures be taken to curb the lack of accountability enjoyed by the multinationals, especially by the baby food multinationals, with regard to both quality and pricing. Let us not forget that these multinationals exploit with impunity not only the developing countries, but also the markets within the Community, such as the Greek market.

(Applause)

Mr Brøndlund Nielsen (L). — *(DA)* On a point of order, Mr President. Mrs Hammerich has given an explanation of vote without explaining how Mrs Hammerich intended to vote, and I find that rather strange. But I think I can conclude from Mrs Hammerich's pronouncements that Mrs Hammerich will vote for this report. It is a report which shows that Parliament has sensible views. If however it is not sufficiently effective in Mrs Hammerich's opinion, then Parliament must have more influence, and I assume that is something Mrs Hammerich will work for.

President. — Mr Nielsen, I am not very clear about which rule you are invoking, but in strict logic you may be right. However, I believe I know how Mrs Hammerich will be voting. You can find out for yourself by reading it in the Minutes since I have received from the Socialist Group a request for a roll-call vote on the motion for a resolution as a whole.

Mrs Boserup (COM), in writing. — *(DA)* The matter itself with which this report is concerned is particularly grave and has wide-ranging health consequences, especially as far as the nutrition of young babies in a number of developing countries is concerned. At the same time the unscrupulous selling methods of a number of multinational corporations in the matter of breast milk substitutes are so hair-raising and have patently had such appalling consequences that action on an international basis became absolutely essential.

The WHO code, which has gained the support of all Member States of the Community, is a recommendation which must and shall be followed with action at the national level.

But, that said, it must be emphasized firstly that it cannot be the Commission's task to police the Member States in matters regarding which all ten countries have acceded to international conventions, however meaningful or otherwise those conventions may be, and secondly that some of the firms concerned engaging in the production of breast milk substitutes are outside the Community. It is therefore not for the European Parliament to call on the Commission to work out proposals for a special legal instrument. On the contrary it should serve as a forum to call on the Member States and all States which have accepted the WHO code to follow up words with action on this serious issue.

Mrs Seibel-Emmerling (S), in a written statement. — (DE) I shall vote for Mrs Castellina's report.

I am doing so in the anticipation that the Commission will respect Parliament's manifest wish and soon submit to the Council a proposal for a directive.

I disagree intensely with Mr Narjes. It is reckless, to say the least, to rely on voluntary control on the part of manufacturers, too many of whom have already demonstrated that they rate profits more highly than the health and welfare of children in both Community and non-Community countries.

Nor can we take the argument seriously that private hospitals are often dependent on free samples and ought to be allowed to receive them, regardless of the consequences for patients' health.

I shall follow the reactions of the Commission and Council to Parliament's vote with great interest.

VON HASSEL REPORT (Doc. 1-1194/82 'Flag for the Community'): ADOPTED

The rapporteur was:

— AGAINST all amendments

Explanations of vote

Mr Ephremidis (COM). — (GR) With all this talk of symbols and symbolism it struck me as perhaps symbolic that this subject should follow right on the heels of the debate about baby milk. I do not wish to be so harsh as to say that Parliament is fooling around. Really, at a time when the Community is beset by a host of complex crises that it cannot solve, here we are deliberating over whether it is to have its own symbol. The intention is obvious. The majority — or as many as vote for the motion — wish to use it as a means of deceiving the people, of distracting their attention from the problems that really concern them and of which the Community itself is the very cause. This is further demonstrated by the lack of ideas about what it is that 12 stars on a blue field should symbolize. There are 10 of you, but you want 12 stars in anticipation of the accession of two other countries. And if others join, or some leave, what history, what present, what future will this symbol have?

Mr President, I do not think it is enough for one to say that one intends to vote against the motion. One has to express sorrow that so many honourable colleagues are occupying themselves here and now with this matter instead of having dismissed it at the very outset in favour of matters that are of genuine concern to the peoples of Europe — rather than devices designed to pull the wool over their eyes.

Mr Prag (ED). — Let me make it quite clear from the start that I am in favour of a European flag. European unity and the development of the Community are historic developments and, for European civilization, perhaps the most significant developments of the second half of the 20th century. I agree that we lack symbols: without symbols we shall not have that *solidarité de fait* of which Robert Schuman spoke.

Nor have I anything against the filching of the Council of Europe flag, since they have 21 Members and we have 12, which is equal to the number of stars: that is a very happy coincidence in our favour, Mr President; but I cannot accept the notion that other flags — particularly our own European Parliament flag — have to be abolished. I just cannot see any sense in that. We do not ban other flags in our own country: our Parliament can have its own flag, if it wants to, alongside the Union Jack. So by all means then let us have our symbols and let them mean something to our peoples; but let us have no exclusivity, no automatic suppression of the European Parliament's flag or anybody else's! Whatever flag we adopt should be able to fly alongside the European Parliament flag. Then we should have not only a symbol of unity but the symbol of democracy alongside it.

That is why, because of that unfortunate, dictatorial and authoritarian paragraph which should never have been in the report, I am afraid, Mr President, I shall vote against it.

Mrs Gredal (S). — *(DA)* I think that the sparse attendance of the Socialist Group shows that we do not consider this point to be of central importance, rather the contrary. In fact I had not intended to be here myself but, when our esteemed chairman, Ernest Glinne, began to use the 'royal we', I felt bound to say a few words. For the Socialist Group is anything but unanimous on this issue.

One of the speakers said that Europe has difficulty in presenting itself — one can only say 'aye' to that — and it will continue to have difficulty, if we take such proposals seriously. It annoys me that the Community idea, which I also support, is negated by our willingness to devote time to a debate on a Community flag. I think we should use speaking time and time in general for something more meaningful, and the time we spend on these things is taken away from the meaningful subjects, and none of our constituents can begin to understand us. I must say that a large number of the Group would have voted against the proposal, if they had been here.

Mrs Tove Nielsen (L). — *(DA)* I do not doubt the good will and genuine intentions which lie behind the work done in the committee and in the political groups, which I fully respect. It is my personal view that what the citizens of Europe, of our Community, need — not least in these years in which our countries are afflicted by economic crisis — is to see some definite concrete results from the work we do. I have nothing at all against symbols; I also think that we may need symbols, but I think that we are making the wrong approach to our work by getting involved with symbols and forgetting to show some concrete action. When we go out to our voters and tell them about our work, they will want to see concrete results. I am convinced that, once we have put forward some concrete results, when we are able, for example, to solve the economic crisis we are in, when we are able to get the large numbers of unemployed back to work — there are many other examples — the symbol for the Community, which will definitely enjoy my respect, will present itself of its own accord. It is thus from a positive position, Mr President, that I must declare that I cannot personally vote for this proposal.

Mr Abens (S). — *(FR)* I shall abstain because the Council of Europe, to which this emblem belongs, has apparently not even been asked for its opinion, and I find that rather extraordinary.

ANNEX II

*COMMISSION ACTION ON EUROPEAN PARLIAMENT OPINIONS ON
COMMISSION PROPOSALS DELIVERED AT THE FEBRUARY AND MARCH
1983 PART-SESSIONS*

This is an account, as arranged with the Bureau of Parliament, of the action taken by the Commission in respect of amendments proposed at the February and March 1983 part-sessions in the framework of parliamentary consultation, and of disaster aid granted.

A. *Commission proposals to which Parliament proposed amendments that the Commission has accepted in whole or in part (February and March 1983 part-sessions)*

1. Report by Mr Veronesi closing the parliamentary consultation procedure on the EC Commission proposal to the Council for a directive on saving crude oil by using substitute fuel and on Community rules concerning the use of alcohol in petrol

The Commission will be altering its proposal so as to incorporate the amendment requested by Parliament at the plenary sitting on 11 March 1983 in the directive on saving crude oil by using fuel substitute. Parliament will be kept informed.

2. Report by Mr Moreland closing the parliamentary consultation procedure on the EC Commission proposal to the Council for a recommendation concerning the manner in which natural gas prices and rates are set in the Community

The Commission is in the process of altering its proposal so as to include the amendments adopted by the European Parliament at the March 1983 plenary sitting. The amended proposal will be sent to the Council in April and the European Parliament informed.

3. Report by Mrs Theobald-Paoli closing the parliamentary consultation procedure on the EC Commission proposal to the Council for a decision concerning a plan for transnational development of infrastructure to further technological innovation and the transfer of technologies (1983-85)

The Commission will be putting an amended proposal before the Council that takes into account the amendments adopted by Parliament. The procedure is under way and Parliament will be informed in due course.

B. *Commission proposals to which Parliament proposed amendments that the Commission has not felt able to accept*

Report by Mrs Schleicher closing the parliamentary consultation procedure on the EC Commission proposal to the Council for a 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

At the debate on 10 March 1983 the Commission stated clearly that it was not going to withdraw its original proposal and did not intend to delay its adoption by the Council. It promised, however, that there would be no inconsistencies between this proposal and the proposal for a directive on misleading and unfair advertising currently under discussion at the Council.

C. *Commission proposals in respect of which Parliament delivered favourable opinions or did not request formal amendment*

1. Report by Mr Hopper closing the parliamentary consultation procedure on the EC Commission proposal to the Council for a decision authorizing the French Republic, in derogation from Article 95 of the Treaty, to apply in its overseas departments and mainland France a lower rate of revenue tax on the consumption of 'traditional' rum produced in those departments

In its resolution Parliament asked the Commission to examine other ways of supporting the economy of the French overseas departments and to present proposals based on this study before the end of 1983. The study will enable the Commission

to determine whether it will be possible, as Parliament requests in item 4 of its resolution, not to apply the reduced rate of tax on the consumption of traditional rum produced in the overseas departments beyond 31 December 1985.

2. Report by Mr Ormesson closing the parliamentary consultation procedure on the EC Commission proposal to the Council for a regulation laying down certain measures for the conservation and management of fishery resources to apply in respect of vessels flying the flag of certain third countries in the 200-mile zone off the coasts of French Guiana

In the report the Commission was asked to inform Parliament what progress was being achieved in arriving at fuller cooperation in the Caribbean on fishing and what aid could be granted to develop the fishing industry in this area. A mission is to visit some of the third countries in the area in April 1983. The Commission will not be able to report to Parliament until the outcome of this mission is known.

D. *Disaster aid provided since the last part-session*

I. *Emergency aid within the Community*

No remarks

II. *Emergency aid for third countries*

(a) *Financial aid*

300 000 ECU to the Sudan for Ugandan refugees
 2 500 000 ECU for victims of hurricane Oscar in the Fiji Islands
 100 000 ECU for flood victims in Peru
 200 000 ECU for flood victims in Ecuador
 2 387 500 ECU for Poland

(b) *Food aid*

1 000 t sugar	}	for Ecuador
1 000 t vegetable oil		
100 t sugar	}	for the Comoro Islands (victims of hurricane Elizabeth)
100 t vegetable oil		

SITTING OF TUESDAY, 12 APRIL 1983

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2. Application of the Rules of Procedure

Mrs Vayssade (S). — (FR) Mr President, on behalf of the Socialist Group, I should like to object to the Committee on the Rules of Procedure's interpretation of Rule 85, whereby when referral to committee is requested, a vote is taken immediately.

We think that referral to committee is an important political step, with considerable consequences, as it sets the procedure in motion again and delays Parliament's final decision by several months — and it can bring about profound changes in the texts that emerge from a committee discussion.

The Socialist Group feels that such a decision cannot be taken by a chance majority according to what Members happen to be in the House. The Members should be here, certainly, but we have had to introduce voting times to enable them to be there at the right time.

So the Socialist Group considers that the vote on requests for referral to committee should be taken at a time fixed by the President, so as to respect the right to vote of all Members. This could be achieved by announcing that the vote would take place at, say, the beginning of the next sitting. I should like us to vote on this problem.

President. — I think the problem is simple. The Committee on the Rules of Procedure and Petitions has given an interpretation of this Rule. We shall put it to the vote and if it is rejected the matter will be referred back to the committee.

Mr von der Vring (S). — (DE) Mr President, should we not rather vote on whether to accept the alternative interpretation of the Rules of Procedure which was proposed here or that of the Committee on the Rules of Procedure and Petitions?

Our suggestion is that the question on which we should vote is: Does the House accept the interpretation proposed by the Socialist Group?

President. — Mr von der Vring, I feel it is better to vote on the interpretation of the Committee on the Rules of Procedure and Petitions. If it is not accepted the committee must decide on a new interpretation. This interpretation may possibly be that of the Socialist Group but in that case we shall have it in writing, but that is not yet the case. I believe that the only course at the moment is to vote on the proposal of the Committee on the Rules of Procedure and Petitions.

(Parliament referred the interpretation of Rule 85 of the Rules of Procedure back to the Committee on the Rules of Procedure and Petitions)¹

¹ Topical and urgent debate (Announcement): see Minutes.

3. Decision on urgency

President. — The next item is a decision on urgency requests by the Council:

on the proposal from the Commission to the Council for a decision implementing the Decision authorizing the Commission to contract loans under the New Community Instrument in order to promote investment in the Community. (COM (83)85 final).

Mr J. Moreau (S), chairman of the Committee on Economic and Monetary Affairs. — (FR) Mr President, in view of the opinion of our Committee, I should like the Council to explain why it asked for urgency.

If it does this and then fails to attend the sitting, that shows just how serious its request is!

(Applause)

President. — I am in a rather difficult position, Mr Moreau, since this prevents the debate from proceeding.

Mr J. Moreau (S), chairman of the Committee on Economic and Monetary Affairs. — (FR) Mr President, I can explain the position of the Committee on Economic and Monetary Affairs here, but I should like you to put our case to the President of the Council and tell him we should have liked him to be here — particularly since the Council knows what our position is.

The Commission asked this question to be considered as a matter of urgency and I understand the Council has done the same.

I should like to tell Parliament that there will be a conciliation meeting on this subject in Luxembourg on 18 April between the Council of Ministers for Economy and Finance and a Parliament delegation. One argument in favour of rapidity is that NCI II has been exhausted and the Commission wants a fast decision — as does the Council.

But I should like to explain why we do not want Parliament to comply with the Council's request.

If there is one institution that is attached to the NCI, it is the European Parliament, because Members in all parts of this House have been insistent about their interest in both the new Community instrument — we shall return to this later on — and its permanency. But what do we find? That the Council has been slow over the decision, because the famous 3 000 000 000 NCI was mentioned at the summit in London! The decision was only taken a few months ago. It is not the European Parliament's fault if there is a break between

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NCI II and NCI III. It is the Council's fault. And now it wants us to act contrary to the procedure to which we are attached — the conciliation procedure. So the Council seems to attach little importance to the conciliation procedure, while we, the Parliament, think it is by no means negligible. Without wishing to impeach its motives, I think that the Council's request for urgency is something of a problem in that the conciliation meeting is being held three days after our sitting comes to an end.

Mr President, I shall ask all Members to reject this request for urgency because we shall be dealing with conciliation and the implementing regulation for the first part of NCI III during our May sitting.

(Parliament rejected the request for urgency)

4. European Council — Draft European Act

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

- the statement by the Council and the Commission following the European Council's meeting of 21 and 22 March 1983 in Brussels.
- the report (Doc. 1-1328/82) by Mr Croux, on behalf of the Political Affairs Committee, on the draft European Act submitted by the Governments of the Federal Republic of Germany and the Italian Republic.

Mr Genscher, I warmly welcome you as chairman of the Council of Ministers.

(Applause)

As I understand it you will speak first about the meeting of the European Council and later on questions relating to the European Act.

Mr Genscher, President-in-Office of the Council. — *(DE)* Mr President, ladies and gentlemen, the 25th European Council meeting held in Brussels on 21 and 22 March 1983 gave the Heads of State and of Government the opportunity, mid-way between Copenhagen (3 and 4 December 1982) and Stuttgart (6 and 7 June 1983), to take stock and to lay down operational guidelines for future Community activities.

The European Council in Brussels was strongly influenced by the agreement on the adjustment of the central rates in the EMS reached only after difficult negotiations on the morning of 21 March. As you know, a considerable common effort was needed in order to find a solution acceptable to all parties. Not only the EMS but also the Community as such survived this challenge to the solidarity of all the Member States with flying colours. An amalgam of financial, econo-

mic, foreign and security policy considerations culminated in the outcome of which you are aware, and which, as the participants expect, represents a significant step towards greater convergence of economic policies and a strengthening of the economic situation on a basis conducive to stability. The whole process once again underlines the fact that difficult times call not for individualistic national measures, but for solidarity and cooperation.

In December of last year, the European Council, meeting in Copenhagen, agreed on a series of priority goals for the economic policy of the Community and its Member States. On that occasion it drew up an extensive programme of work together with deadlines for the Council and asked for a progress report to be made to the Brussels meeting of the European Council. So that the Heads of State and of Government could devote the time it deserved to discussing this report, the individual Member States forewent the usual detailed presentation of their national economic situation on this occasion. The European Council was thus able to hold a more detailed exchange of views on the most important problems of substance under the general heading of 'the economic and social situation in the Community'.

During this discussion it paid particular attention to the action agreed upon at its Copenhagen meeting to improve the employment situation for young people. The importance the European Council attributes to this action is stressed yet again by the fact that the Ministers responsible for Labour and Education are to hold a joint Council meeting before the next European Council meeting in an effort to conclude the review of the Social Fund with a view to increased encouragement for the young and to adopting a Council Resolution on the basic orientation of vocational training policies in the 1980s. In the light too of the specific proposals for effective measures for the employment of young people which the Commission is shortly to submit, the Council will then be in a position to submit a substantial report to the European Council on progress at Member State and Community levels.

Further essential issues discussed were the restoration of economic stability, the promotion of productive activity, the stimulation of overall demand in the domestic economy without forcing prices up further, the creation of permanent jobs and the question of working time.

In this connection I should mention that the Council complied with the request made by the European Council in Copenhagen to reach agreement before the Brussels meeting on the expansion of the New Community Instrument by a further 300 000 000 ECU. However, the Council has not yet been able to adopt the relevant decision since Parliament has in the meantime called for a conciliation meeting which is scheduled for 18 April. The Council now hopes that it will be

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able to report to the European Council in June that it has carried out its instructions.

The European Council was able to establish that the initiative it had taken in Copenhagen to speed up the decision-making process regarding the 'priority measures' proposed by the Commission to reinforce the internal market had borne its first fruit. The special Council meeting on internal market questions convened to this end managed to reach agreement on various projects which had been under examination for some considerable time.

I am referring in particular to the introduction of an information procedure in the field of technical standards. It also proved possible to decide on various simplifications of frontier formalities, e.g. on the directive concerning the simplification of import arrangements for personal property of individuals and the temporary import of motor vehicles, as well as the increase to 200 l in the amount of fuel admitted duty-free in the tanks of commercial motor vehicles, the urgent need for which the European Parliament has also repeatedly stressed.

We all realize that much has still to be done, however, in this field. In particular, it has not yet proved possible to reach agreement on the important question of the treatment of third country products in the harmonization of technical conditions for certification. This is affected by marked differences of opinion over fundamental Community trade policy issues concerned with the question of protection against the outside world — a question with far-reaching implications.

Despite the considerable difficulties remaining, the Presidency is making every effort to resolve this problem too in the coming months. The Presidency is confident that progress will be made with a series of further projects from the quantity of proposals already on the table for the reinforcement of the internal market. That includes the field of freedom to provide services, particularly in the insurance sphere.

In the area of commercial policy, the European Council emphasized the importance of maintaining and further developing world trade so as to strengthen economic activity and control inflation. At the same time, it instructed the General Affairs Council to examine, before the next European Council meeting in June, the proposals submitted by the Commission for strengthening the instruments of common external trade policy. These proposals should, in the Commission's view, allow the Community to put a stop more effectively in future to unfair trade practices by third countries which are harmful to the Community.

The European Council also discussed the serious problems currently affecting trade relations with the United States. In this context it stressed the need for genuine dialogue between the two sides.

Such a dialogue would only be successful if it were conducted in compliance with earlier agreements, in particular those reached following the Tokyo Round. On this basis every effort should be made to find a balance of interests between the EEC and the USA. Here I should like to stress that this is not simply a trade and agricultural policy problem. It is also a question of considerable importance to trans-Atlantic relations as a whole.

As regards energy policy, I should like to point to the agreement reached, after difficult negotiations, to continue the programme of demonstration projects in the current financial year. Although this is only a partial solution — as no agreement could be reached on the allocation of funds for the next 4 years of this programme, which spans a total of 5 years — it is now certain that the current programme can continue smoothly.

However, a multiannual arrangement remains a matter of priority. In the near future we shall be addressing ourselves further to the important topic of the common coal policy, to which considerable importance should be attached in the framework of the Community's overall energy policy strategy. It will be brought to the fore at the Energy Council meeting on 21 April 1983.

As regards research policy, a large measure of agreement already exists within the Council on the Commission's programme proposals for 'common action to develop the scientific and technical potential of the European Community' and 'forecasting and assessment in the field of Science and Technology (FAST)'. The Presidency counts on the European Parliament to deliver its opinions on these proposals in time for the Council to adopt the programmes formally in July 1983.

In accordance with working instructions from the Council, the Commission will be submitting a supplementary communication on its proposal for a 1984-1987 framework programme on science and technology to the Council in April. The Commission proposal, the supplementary communication and a further Commission proposal for improving the decision-making procedure in the sphere of Community research and technology policy should then come up for final discussion at a Council meeting on 28 June 1983. In this connection as well, the Presidency is counting on the European Parliament to deliver its opinion in time. The aim of the framework programme is, of course, to introduce medium-term planning and financial forecasting for Community research and technology policy and to increase the percentage of R & D spending in the Community budget.

The European Council also confirmed its opinion that the development of the productive capacity of European industry under conditions of international competitiveness is of essential importance for the Com-

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munity. In a communication on 'Community industrial strategy' which it submitted to the European Council the Commission set out its ideas on this subject in general terms for the time being and announced that it would be making more specific proposals in the near future. The European Council took note of the fact that these proposals would be chiefly concerned with biotechnology and communications technology as the driving forces of progress. This provides a new and welcome impetus which should concentrate Community discussion on industrial policy on priority measures which can be jointly implemented in this sector.

At the Presidency's suggestion, the European Council studied the matter of the mutual recognition of diplomas and periods of study. This was in response to the proposals put to us here during Parliament's Question Time. The Education Ministers meeting on 2 June were asked to speed up their discussion on this question, which is so important for student mobility in the Community. This also applies to the Council's so far largely unsuccessful attempts to adopt Directives on the right of establishment for architects and engineers.

At Germany's suggestion, the Heads of State and Government discussed the problem of air pollution, particularly through sulphur dioxide. It was agreed that the damage caused to forests by acid rain made effective transfrontier measures urgently necessary. The European Council expressed the hope that the proposals which the Commission had announced for a basic directive on the prevention of air pollution and a directive on large furnaces with emission limits would be examined speedily and in a receptive spirit.

The European Council also expects a positive joint initiative by the Member States in the framework of the ECE Convention on the Prevention of Air Pollution, the executive body of which will meet in Geneva on 7 June to discuss European measures on the limitation of emissions. This is a serious environmental problem, which is causing our citizens deep concern; the only chance of success in combating it is offered by transboundary measures within the Community and between East and West.

The Heads of State and of Government requested the Council to speed up its work on the development of a common transport policy. The abolition of frontier formalities deserves particular attention in this respect. As shown by the special Transport Council on 23 February 1983, the Member States are agreed on the need to make substantial progress in this area. The next Transport Council at the beginning of June should be an opportunity to provide concrete proof of this.

The European Council held an exchange of views on the topics for discussion at the economic summit due to take place in Williamsburg from 28 to 30 May 1983 at the invitation of the USA. In this connection it discussed the general world economic situation, and in particular the consequences of falling oil prices. It was

agreed that this development would have positive results provided that it and its consequences were kept under control. It is now important, in the final phase of preparation for the summit meeting, to work out common positions on the various individual questions which will be discussed under the general heading of 'State of the world economy', so that the Europeans can speak with a single voice at the summit. The European Council attached particular importance to the fact that the Council should take the necessary care in this connection.

The European Council was particularly insistent in urging that progress be made in the negotiations with Portugal and Spain for the enlargement of the Community. As it had previously done in Copenhagen, the European Council emphasized the need for decisions to be taken, when adjusting the rules for certain Mediterranean products, in order to make progress in the negotiations with the aim of achieving a harmonious enlargement of the Community.

The European Council reached agreement on certain guidelines for the further proceedings of the Council of Ministers for Agriculture. The Agriculture Ministers indicated in their report that the market arrangements for olive oil would give rise to considerable additional expenditure in the event of enlargement. The long transitional period now proposed by the European Council, within which the new Member States have to adopt the Community arrangements for vegetable oils other than olive oil, is a contribution to resolving the problem. In order to overcome the differences of opinion which still exist, the interests of the olive oil producers will have to be reconciled with the need for an appropriate limitation of expenditure.

As regards further discussions on the adjustment of the market organization for fruit and vegetables, the European Council advocated compromises based on the following criteria: further discussions are to be based on the proposals of the European Commission; traditional trade flows with third countries and the free movement of goods should continue to be guaranteed.

It is to be very much appreciated that the Heads of State and of Government examined the problems of accession so intensely. They were all united in the political resolve not to disappoint the democracies on the Iberian Peninsula and to bring the negotiations to a successful conclusion as soon as possible. Only if the Member States respond to the appeal of the European Council and everyone is ready to take a step in the direction of the other will an overall compromise be possible in the difficult and, as regards the accession negotiations, key area of the adaptation of market rules for certain Mediterranean products. The Council was requested by the European Council to report substantial progress before June.

Another important item for discussion at the European Council was the financing of the European Com-

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munity. On the basis of a report by the President of the Council on the discussion of the Commission's 'green book' in the General Affairs Council and against the background of the imminent exhaustion of the Community's own resources, the Heads of State or of Government took cognizance of the Commission's intention of submitting specific proposals as soon as possible. They hoped that those proposals would take into account the development of Community policies, enlargement to the south and inequalities in the Community budget as well as the need for stricter budgetary rules. They requested the General Affairs Council to discuss the Commission's proposals and to submit a report on its conclusions at Stuttgart.

This report should also contain conclusions on the so-called subsequent solution regarding compensation for the United Kingdom. I should like to emphasize here that the Council continues to share with Parliament the aim of a Community solution.

In the area of foreign policy, the European Council examined the progress with the follow-up conference to the Conference on Security and Cooperation in Europe in Madrid, the situation in the Middle East and the conflict between Iran and Iraq. The Presidency also submitted a report on the discussions on the Germano-Italian initiative regarding European union. In discussing the CSCE topic the Ten reaffirmed their wish for the prompt adoption of a substantial and balanced final document. The Ten hope that the new proposal by the neutral and non-aligned States for a suitable basis for drawing up such a final document can be developed further.

This must contain a specific mandate for a conference on disarmament in Europe, as well as make provision for further progress on the humanitarian aspects of the Helsinki Final Act.

The European Council summarized the detailed debate on the situation in the Middle East in its conclusions. The main points of these conclusions are the demand by the Ten for the withdrawal of all foreign forces from Lebanon, the conclusion of the negotiations and the restoration of Lebanese sovereignty and jurisdiction and the demand for a resumption of negotiations with a view to a comprehensive peace settlement in the Middle East. The Ten see a solution only in recognition of the rights of those concerned, and particularly Israel's right to exist and the right of the Palestinian people to self-determination.

The Ten agreed that the time is ripe to go beyond declarations of intent and find ways and means of harmonizing the peace proposals of American's President Reagan with the Fez Plan and translating them into practical policies.

The Ten welcomed the talks which were taking place at the time between Jordan and the PLO. The Palestinian people and the PLO ought at the earliest oppor-

tunity to advocate peace negotiations. Israel must show that it is ready for genuine negotiations on the basis of Security Council Resolutions 242 and 338, first and foremost by desisting from expanding existing settlements and founding new ones. The settlements violate international law and constitute a significant and growing impediment to the efforts to achieve peace. I take this opportunity of expressing our horror and shock that a fresh act of slaughter has intervened in the efforts to find a solution to the conflict in the Near East. The European Council and the Council are convinced that only genuine and peaceful political efforts will bring about a lasting, overall, just and peaceful solution to this conflict which weighs so heavily on us all.

The European Council observed the development of the conflict between Iran and Iraq with growing concern and took the view that this conflict represents a serious threat for the security and stability of the entire region. The Ten called for a cease-fire, the cessation of all military activity and the withdrawal of all combat forces to internationally recognized borders, as well as for a just and honourable settlement, worked out in accordance with the Resolutions of the UN Security Council and acceptable to both sides.

After the report by the Presidency on the Germano-Italian initiative on European Union, the European Council instructed the Foreign Affairs Ministers to tackle the problems still unresolved so that this could soon be ratified by the European Council.

Measured against the magnitude of the challenge which the current economic situation represents for us, the record of the meeting of the European Council is, as Chancellor Kohl subsequently put it, acceptable. As we all know, the task of the European Council is not so much to take decisions of far-reaching importance for European integration or to cut Gordian knots, i.e. to assume the role of the Council of Ministers, but above all to point the way for future action by the Council. The European Council did justice to this task, a particularly useful one midway through a Presidency, as you can see from the intensive plan of work which it has drawn up for the remaining three months of our Presidency.

That this was possible owes not a little — as I have already indicated — to the fact that the monetary policy questions were resolved in the run up to the meeting. In a way, agreements on adjustment of the central rates was perhaps facilitated by a certain pressure exerted by the imminence of the European Council meeting.

But apart from that there were other practical achievements to place before the Heads of State or Government. Here I would just single out the agreement on the common fisheries policy, the 1982 budget rebate for the United Kingdom, the New Community Instrument and the directive on seals. The European Coun-

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cil's conclusions on the Middle East also deserve special mention. In the decisive phase which the Middle East is now going through they are of great importance.

The way is now clear for the European Council in Stuttgart. Busy weeks lie ahead of us, since preparation must be made for tangible results on a series of important questions on which the Heads of State or Government want to take decisions or to hear progress reports in June. You may count on the German Presidency. The Federal Republic's contribution will be equal to that of its partners. Let us all help to see to it that the high expectations which the citizens of our countries have of us are not disappointed.

(Applause)

Mr Thorn, President of the Commission. — *(FR)* Mr President, Honorable Members, the President of the European Council has given you a detailed account of the conclusions reached by the March meeting. For my part — and true to tradition — I simply wish to make one or two remarks on the way this meeting went and on its results and the prospects offered by the European Council of Stuttgart.

The three days' monetary negotiations that preceded the European Council changed its character. I shall leave my colleague Mr Ortoli to tell you about these days in detail, but I should like to say a few words on the subject, by way of introduction.

In particular, I should like to emphasize the essential political implications of confirming — in circumstances that many people have described as dramatic — that the eight countries involved in the European monetary system were committed to it. Here, it is very important to realize the general desire to respect European discipline and see that the exchange rates are now discussed and decided together and not left, arbitrarily, to unilateral initiative. In short, and going beyond the technical aspects, this was a specifically European act for some people, a European choice. At the same time, we cannot but regret that the Council is unable to prevent this monetary disturbance by proper coordination of our economic policies. The EMS should not and cannot be a sort of registration chamber where the ministers make concerted changes in parity at fairly regular intervals so as to even out the disparity in economic situations that the governments have allowed to occur. Dealing with the effects without tackling the causes is displaying a singular lack of logic and courage. So we think it is important for the EMS to perform its second duty, that of ensuring greater convergence of the economic policies, better than it has done so far. As to the measures that go with this, our Commission for one has followed the policies very vigilantly. With Italy and Ireland, for example, it felt that devaluation of the pound and the lire was soundly backed up by the economic policies the two

governments had already introduced. And in the case of France, the Commission's global judgement of the programme of action the French government adopted on 25 March last was positive.

After this monetary introduction, I shall move on to the European Council proper.

To be frank, ladies and gentlemen, and I hope I am not upsetting my friend the President of the Council here, its results were disappointing. Obviously it has to be realized that the context — and the monetary one I have just mentioned first and foremost — had something to do with it. The heads of government, let us not forget, met at the very time the agreement of the finance ministers was announced and they were affected by it, if you like, with a very understandable feeling of relief — of concern, some people would say — and, above all, a desire not to open the discussion again. Then there was the political context. For two of the participants at least, there was the problem of constituting or restructuring a government.

So a well-informed politician will understand that the discussions of this European Council took place in an atmosphere that was somewhat disincarnate. But these exceptional circumstances showed — and this is what I want to stress — the fragility of the system and the shortcomings of the way it operated. The European Council was designed as a body which, with serenity and continuity, would not just take decisions, as President Genscher reminded us, but would lay down the main lines of the Community's future and it can no longer ignore current events, of whatever order. What will happen, ladies and gentlemen, tomorrow, when there are not ten but twelve Member States?

To my mind, there is one thing we should be thinking about today — and I don't mean the existence of the Council; I can leave that to its adversaries. I mean the operation of the Council and above all the way it fits into the Community machinery. It is up to you and it is up to us to reflect on this and to do so within the framework of the process already begun and the meetings already fixed.

The President of the Council will be talking about the draft European Act. I am also thinking about the work of your committee on Institutional Affairs that the Commission is to meet tomorrow. In view of what I have just mentioned, no-one will be surprised at somewhat slender results, but there are positive elements, of course, starting with the renewed commitment to implement the whole of the Copenhagen programme on strengthening the internal market. Mr Genscher has talked about this, so I shall not return to it. Two special Council meetings are already scheduled so as to obtain these results before our Stuttgart Council and the importance of the next step we have to take has been underlined. Mr President, you can count on the vigilance of the Commission. It will maintain the political pressure on the Council and make a full con-

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tribution to the quest for acceptable, practical solutions.

In the energy sector, the passage on the price of oil seems to me to be a substantial one. It outlines a policy that is largely in conformity with the one the Commission planned on in its Strasbourg declaration on 9 March last — i.e. to avoid oil prices getting out of control, continuing the policy of energy-saving and of developing other sources of energy. This is one of the fields where the Commission intends keeping its initiative, in accordance with the actions I submitted to you two months ago. On the other hand, how is it possible not to be disappointed in the inadequate conclusions on enlargement and, in particular, on the Community's achievements. The European Council — and I am sorry to have to say this — and the Council of agriculture ministers have been putting the ball in each other's court since Copenhagen. And the victims of this rather silly game are our relations with Spain and Portugal. And worse than that is the credibility of the Community institutions. Our Commission asked for substantial conclusions that would enable us to remove the political obstacles in the Mediterranean product issue. We had to be content with a minimalist conclusion that was further reduced during the final discussions. That, I fear, will not be enough to get us moving on an issue that has been held up for nearly a year.

Now in the matter of the financing of the Community, the accent has been put on the new own resources and on the urgency of examining the forthcoming proposals from the Commission, which will be aimed at ensuring the long-term financing of the Community and helping with a final solution for the British problem. For the Commission — and this is something I wanted to underline — it is only within the framework of this long-term solution that we can, at the right time, place the discussion of the short and medium-term solutions. The Commission is adhering strictly to the commitments it made on this subject in its declaration of 8 February and this is why it has stayed outside the provisions included in the part of the communiqué on the later solution.

In the conclusion to that same February speech, I spoke on behalf of the Commission, stressing the importance of the Stuttgart European Council when it came to making progress with some of the problems that are vital to the Community. At that stage, we hoped that the first decisions could be taken at the March meeting. But in spite of everything the German President did, this did not prove possible. The Stuttgart programme is even heavier as a result and now we have to see things as they are. The risks of failure are all the greater — in spite of the wise precaution Dr Kohl and Mr Genscher took of asking their colleagues to spend two full days on their work.

Ladies and gentlemen, frankly, this sort of failure would make for a serious crisis in the life of the Community because we have reached the point where a

whole series of essential and interdependent problems have to be solved without delay. On none of these problems — coping with the crisis, reversing industrial decline, enlargement, Mediterranean products, the Community's own resources, the British issue or the development of new common policies — can the Commission, or indeed I think, this House, resign itself to failure. We cannot add, this summer, a Community crisis to the serious economic crisis that is undermining our strength. We all have to strive to ensure that Stuttgart is the signal for people to realize what is happening, to sit up and have the will to do something about it. The Commission intends making greater use than ever of its powers of initiative to be a driving force in the groundwork for this Council.

Now, within the framework of the commitments taken in February, I should like to remind you that the Commission adopted its general report on the integrated Mediterranean programmes plus a detailed description of each of the programmes for Greece, Italy and France and transmitted them to the Council and to Parliament in early March. This commitment has thus been honoured.

Other parts of the Community are experiencing problems that are just as serious as those of the Mediterranean regions and a similar display of solidarity is called for here too. This is why the Commission, with a view to a special scheme for Northern Ireland, has made a proposal for the urban renovation of Belfast. This proposal, I would remind you, is in line with requests made to this House. The Mediterranean programme for Greece meets a number of requests that the Greek government made to the Community in its memorandum of March 1982. In recent weeks, the Commission has also adopted and transmitted to Parliament and the Council its overall report on the Greek memorandum which proposes various other specific measures. I should add that the Commission has also made the promised proposals on the other important questions. First, in the matter of our relations with the developing countries, it has given its guidelines for a further ACP-EEC convention to the Council. Second, in the matter of enlargement, it has made a whole series of proposals on pre-accession discipline, financial intervention and, most important, institutional aspects, fisheries and tariff questions.

Work on the rest of our pre-Stuttgart programme has progressed considerably, above all with the financing of the Community. After the Council discussion of 14 March and this House's debate tomorrow, the Commission will make its proposals, as we promised, at the beginning of May. I shall leave the strengthening of the monetary system to my colleague Mr Ortoli.

So, as you can see, ladies and gentlemen, the basis for discussions at the Stuttgart Council will be the dossiers prepared at great length in recent months — strengthening the internal market and enlargement of the Community, that is to say — and various new propo-

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sals aimed at extending Community policies and new financing of the Community. So the heads of government will thus be in a position to give the Community the vital stimulus in June, in only six or seven weeks. Let us hope that, this time, being aware of the catastrophic consequences of failure, they will find the necessary political will to succeed. Before this June meeting, the Commission will come to your May sitting and say what has been accomplished thus far.

No doubt, Mr President, this House will then want to give its warnings and even make its express recommendations to the heads of state and government. At a time that is decisive for Europe, each institution and each government has to shoulder its responsibilities fully. The Commission, I can promise you, will have done its work. It will go to Stuttgart and defend the need for more Europe, for a better organized Europe and for greater solidarity, certain of the fact that, in so doing, it is respecting the will of this House.

(Applause)

Mr Croux (PPE), rapporteur. — (NL) Mr President, Mr Minister, fellow Members, during the discussions in the Political Affairs Committee on the final report concerning the first version of the Draft European Act one of our members jokingly commented: 'it isn't easy to be the rapporteur of this one for its a moving target'. And indeed the regular feedback of information from the *ad hoc* working party revealed a constant flux in the proceedings. I would go so far as to qualify it as a moving target in a changing landscape in an evolving external and internal environment. It will suffice to quote key words to illustrate the point: the worsening crisis, increasing unemployment, the degeneration in the Community's relations with the United States, the various conflicts in the world arena, the peace and security problem area. It is a landscape in perpetual motion. It therefore comes as no surprise that Parliament is losing its patience over the decision-making concerning the initiative drawn up by the Foreign Ministers of the Federal Republic of Germany and the Republic of Italy. Time considerations preclude further examination of this aspect.

I shall endeavour to resume very rapidly the contents of our motion for a resolution, closing with a few comments on what we consider the strong and weak points of the Draft European Act. On the positive side we remain supporters of your initiative. It represents an attempt to break new ground and that is something on which we must continue to put the accent. We continue to welcome the new objectives and means, the extension of cooperation on security matters and some of the political and economic aspects pertaining to such fields as security, culture and legal harmonization, in respect of which we are curious to know the present state of affairs in the fight against international crime. The more the working paper proceeds, the less trace there appears to be of this last-named aspect. We

also applaud the fact that the original annex to the act concerning Community economic policy has been incorporated, in the Commission's working paper. But, as has often been said, we would reiterate that it is not sufficient to formulate objectives, one must proceed to the discussion stage. The credibility of the Draft European Act depends, among other things, on how the Stuttgart Summit will deal with the various issues which have just been résuméd by President Thorn and concerning which decisions have to be taken. Only then will your efforts become credible. We also welcome the attempt to give a more precise definition to the role of the European Council. But we have learnt to tread very warily on this issue. We consider that the function of the European Council is in itself difficult to define, but it must be seen in the overall context of the Community institutions. On this point too President Thorn has just made some valuable comments.

On the negative side there are three points which are giving us great cause for concern and they are all crucial aspects of the Draft European Act. The first of these is the decision-making procedure in the Council. Under no circumstances whatever can Parliament accept a step backwards. By this I mean essentially that every allusion to the so-called 'Luxembourg Compromise' must remain excluded from the Act. It would be unacceptable that a ceremonious declaration from the European Council should revive memories of something out of date the legal validity of which has always been disputed, in particular by this House. Thus the Political Affairs Committee wishes to draw attention to the fact that there can be no deviation from the Treaties' stipulations on decision-making. We appreciate that they provide for unanimity in specifically important cases. Article 235 defines this very clearly, but Parliament intends to make a series of recommendations in this area with a view to encouraging respect for the Treaties. I do not intend to elaborate at this stage but they have been incorporated into the text of the motion for a resolution. I should like to point out that the measures should be considered as an interlocking whole aimed at facilitating the decision-making.

The second important point concerns the role of Parliament. We believe that there is neither a legal nor political justification for the European Council to assume the right and the authority to recount things to Parliament which do not comply with our new legitimacy, that is to say with the common law situation that has already come into operation. In this respect we are asking for three things. Firstly the determination and confirmation of this newly-found legitimacy, in conformity with the terms of your own Draft Act. Secondly, specifying what can be enunciated at the European Council. I am thinking of Council taking account of resolutions adopted by this House in such areas as foreign policy and European Political Cooperation (EPC). Thirdly, and this is of crucial importance, we intend to see to it that, in the light of the

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resolutions drawn up by this House in 1980, 1981 and 1982 on inter-institutional relations, and of the dialogue which was initiated on 23 January last with you, Mr Minister, as President-in-Office of the Council, the dialogue with Parliament remains open, that the discussions take on definite shape leading to declarations which embody resolutions emanating from this House in the area of legislative competence, the ratification of treaties, more widespread resort to and improvement of concertation and with regard to participation in the formation and deliberations of the Commission.

A third point of considerable importance to us is the possibility of a new treaty. You are aware of the work currently being undertaken by Parliament's Committee on Institutional Affairs. We would find it unacceptable that the definitive text of an eventual European Act should contain conclusions which failed to take account of the efforts made by this House and consequently we would urge you to proceed with the greatest of caution.

Those, Mr President, are our comments and our reservations. We hope that the Stuttgart European Council will manage to complete the European Act, or should I say the high sounding declaration, which it has no doubt become in the interval. I trust that it can become a showpiece to the willingness of both European Council and Council of Ministers to make real progress. We hope that this moving target in a changing landscape spanning the whole earth and which affects all mankind, all citizens and all peoples of the world will crystallize for a moment in the form of a newly discovered political will in a practical framework of new measures.

(Applause)

President. — Before calling the President-in-Office of the Council, Mr Genscher, I should like to welcome Mr Colombo, Italian Foreign Affairs Minister and former President of this Parliament.

(Applause)

Mr Genscher, President-in-Office of the Council. — *(DE)* Mr President, ladies and gentlemen, I should first like to express my thanks to the House for the support it has so far given to the German-Italian initiative. My particular thanks go to the rapporteur, Mr Croux, for the creditable way in which he has approached this initiative.

I should like to say a great deal more, because I agree wholeheartedly with everything you have said, Mr Croux. But I shall now continue as President of the Council.

I am particularly pleased that the Political Affairs Committee should again express its support in the

motion for resolution by calling, for example, for the adoption of the draft Solemn Declaration on European Union, this being the new title agreed by the Ten, without delay and in a constructive manner as a new and important stage in progress towards European Union.

Before I go into detail, I have another general remark to make. In some respects, the motion for a resolution and the explanatory statement still refer to the state of negotiations reached last summer. It has not been possible for the report to take account of the considerable progress that has been made since that time. I therefore feel it would be appropriate for me to summarize the most important results of the negotiations to date, without discussing the details of the report. There is agreement on all but a very few aspects of the text of the declaration. The question is, then, what have we achieved so far? We have laid one of the foundation stones for the further, dynamic development of the Community within EPC towards European Union. The European Community and EPC, which have hitherto existed side by side, will now be bracketed together. This means not only the involvement of the European Council as the guiding body in both areas but also the determination of ways in which the European Parliament and the Commission can participate in EPC. The European Communities are to be strengthened and extended.

What the German-Italian draft had to say on a declaration on questions of economic integration has now become a full chapter of the declaration, setting out the most important aims for the European Communities in the next few years.

In the area of EPC too, we go beyond the London report by placing greater emphasis on the preparation and adoption of joint positions and a joint approach in foreign policy, including its economic and political aspects.

European cooperation is to be achieved through closer cultural cooperation and through the approximation of certain areas of Member States' legislation. To ensure that the process initiated by the declaration remains dynamic, the concluding clauses provide for the declaration to be generally reviewed after five years, one object being to see whether progress achieved should be made the subject of a treaty on European Union.

One Member State still has reservations about the prospect of a treaty following the review of progress made towards European Union after five years and the passage relating to the progressive development of a common policy in ever more areas of foreign policy, and there are still differences of opinion on two important aspects — the decision-making procedure and the chapter on the European Parliament.

As regards the decision-making procedure, the Member States agree in principle that the application of the

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procedures laid down in the Treaties for the taking of decisions is of crucial importance if the Community's ability to take action is to be improved. They are therefore in favour of seizing any opportunity of facilitating decision-making, with abstentions, for example. They do not, however, agree on any wording which goes further than this. Some Member States want an explicit reference to the Luxembourg conclusions of January 1966, while others reject this idea.

We are continuing the search for acceptable solutions. But, in my capacity as President of the Council and also as one of the people behind this initiative, I feel I must say this: it cannot be the task of this European Act, the object of which is, of course, to bring us closer to European Union, to get us to commit ourselves in writing to something which conflicts with the Treaties. That would be a step backwards. I now come to the chapter of particular interest to us all, the chapter on the European Parliament. The Member States agree on the following points:

The European Parliament has an important role to play in the development of European Union. The European Parliament will for the first time have the right to discuss any aspect of European Union, including European Political Cooperation. It is also confirmed for the first time that all questions put by the European Parliament must be answered by the Council and the members of the Commission even if they concern subjects not covered by the Treaties.

In addition, the Council, the Foreign Ministers meeting in European Political Cooperation and the Commission for the first time undertake to react to resolutions on subjects of major importance and general significance in which Parliament asks for their comments. The programmes the Council President announces at the beginning of his term of office and his stocktaking at the end of that period will be as firm fixtures as the information regularly given to the European Parliament on EPC subjects and the annual EPC progress report.

The consultation of the European Parliament is to be extended to include important international agreements and accessions. The Luns-Westerterp procedure for informing Parliament on current negotiations will also apply to all international agreements of any significance.

It should also be noted that the European Council will report to the European Parliament after each meeting and submit an annual written progress report on European Union. Greater account is to be taken of the contribution the European Parliament makes to a coordinated foreign policy of the Ten. The European Parliament is also named in the revision clause. It is to be asked for its opinion when the declaration is reviewed five years after its adoption.

The Ten are, then, agreed on many aspects of the provisions which concern the European Parliament. I

should add, however, that one Member State has reservations about obtaining the opinion of the European Parliament's enlarged Bureau before the Commission is appointed and about the improvement and extension of the conciliation procedure.

As regards the European Parliament's debate and vote on the Commission's programme, we hope we can soon overcome the reservations expressed by three Member States. All in all, the provisions relating to the European Parliament confirm rights which have simply been acquired through practice and also grant some new or increased powers. The progress thus made will not, of course, come up to the European Parliament's expectations in every respect, but it does mean a real improvement in its status. On 19 November 1981 I said to the House that we had not postulated the desirable but tried to formulate the attainable.

The difficult negotiations on the final text underline the need for an approach that is as resolute as it is realistic. We will not get anywhere if we adopt the principle of 'all or nothing'. Our initiative is an important intermediate stage on the road to European Union, but it not the final stage. This is especially true of the relationship between the Council and the European Parliament. A great deal remains to be done if we are to have the interinstitutional agreements that are needed if relations are to assume more concrete shape and to be improved.

I must refer to the importance attached to the permanent dialogue with the European Parliament to which the German-Italian initiative has given rise. Minister Colombo and I described the basic ideas behind the initiative here even before we explained them to our national parliaments. We continued this dialogue on 14 October 1982, when we went into some detail. On 7 July and 15 December 1982 the Danish Presidency reported on the progress made, and in the speech I made on the German Presidency's programme on 11 January of this year I outlined the Presidency's objectives in this respect. The dialogue with the European Parliament has also begun, through the talks the enlarged Bureau and the Foreign Ministers have had and informal consultations with the President of the European Parliament. We shall continue this dialogue.

Our common goal, European Union, can be achieved only if we press ahead step by step with the political unification of Europe. This will require a policy with good staying power. I should not like to leave anyone in any doubt here: my friend Emilio Colombo and I have this staying power. We shall not cease to use our combined strength to achieve progress. The Solemn Declaration represents major progress. Neither you nor either of us think it goes far enough. We should nevertheless take the steps that can be taken now, even if they do not go as far we would personally like, because any step on the road to European Union is a

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step on the road to success. What we achieve today will form the basis of further progress tomorrow.

The Foreign Ministers will be considering the few points still outstanding on 14 and 15 May. The Presidency still wants to see the Solemn Declaration adopted during the first six months of 1983.

I would again appeal to you, the Members of the European Parliament, who I believe have a central role to play in the work of European unification, to continue giving this initiative your support.

When we Foreign Ministers get together and wrestle over wording and agreements, I know that many of my colleagues think as I do, but they also have problems in their own governments. You represent the European public, and I believe that at this decision-making stage we must together rally public support for this important work.

(Applause)

Mr Glinne (S). — (FR) Mr President, Mr President of the Council, Honourable Members, although I can join with my colleagues in the socialist group and rejoice in the monetary agreement reached in the Council of finance ministers, something which enabled us to avoid disaster and overcome the tensions that had appeared in the European monetary system, we cannot say the same for the latest European Council in Brussels on 21 and 22 March.

It was in fact another transitional Council, as usual, pending the forthcoming Stuttgart meeting and looking as though it expected it to produce a miracle just as they usually expect the next Council to do.

Not only was the declaration on European union put off until June, but — and this, we feel, is much more serious — the problems of the economy and employment were only very superficially dealt with. We already deplored this on the occasion of the European Council in Copenhagen and we can only deplore it now, with increasing insistence, as far as the European Council of Brussels is concerned.

With millions of unemployed and more constantly joining them, it is high time Europe tackled the problem of under-employment seriously at last.

So we are daring to hope that the Council will be particularly careful about the debate in the extraordinary sitting on unemployment to be held at the European Parliament's instigation — and I repeat, at the European Parliament's instigation — in Brussels on 27 and 28 April.

Practical measures to tackle unemployment in Europe must be taken without delay.

Mr President, everything or almost everything — the economic issue, unemployment and enlargement — has been put off until the European Council in June and the Council is hinting, with the tacit agreement of the Commission, at a new *ad hoc* — and I mean *ad hoc* — solution to the British problem. On the one hand the United Kingdom has obtained confirmation of the fact that it will get budget compensation for 1984 and, on the other, the conclusions on own resources and budgetary matters only confirm that the Council will be deliberating on the basis of formal proposals to be made by the Commission in early May and dealt with in depth by the heads of government in June.

You will understand that some people are rather tired of seeing the Council fail to take a final decision in this matter.

And what about the desire of the governments of the Ten at last to implement the new policies that we hear so much about but see so little of in practice?

While on this subject — and because of the ambiguity of certain comments in the press and in statements about the European Council in Brussels — I should like to tell you the socialist group's position on own resources very clearly once more. In order to remove all possible doubt, I shall quote from the proposal made by Mr Jaquet et al. on behalf of the socialist group on relaunching Europe (1-926/82 rev). I have already referred to this during other debates.

Mr President, I quote Article 23 of this motion for a resolution: '... examine the consequences on the EEC budget of introducing the proposed new Community policies, in particular as regards recourse to new own resources, exceeding the ceiling of 1% of VAT not excluded, provided the development to be expected from this drive to relaunch is clearly justified'.

As far as we are concerned, there is a link between exceeding the 1% ceiling and the development of new common policies.

When it comes to Parliament's powers over the budget, I should like to emphasize the fact that there is no question of the socialists (those here) casting doubt on the present powers — nor on the future powers — of a Parliament elected by universal suffrage.

Here again I shall quote from the resolution tabled by Mr Jaquet et al. on behalf of the socialist group and particularly from paragraph 13, which mentions continuing to clarify the respective powers of Parliament and the Council over the budget, in particular as regards the classification of expenditure and the role of each — each — of these institutions, so as to define the rights of a directly elected Parliament as far as the Council is concerned. End of quotation. So the position of our group on this issue could not be clearer.

Mr President, it is impossible for me to avoid talking about the problem of relations between the EEC and

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the USA that Mr Genscher dealt with. I shall pay particular attention to the field of agricultural exports. The American government is developing a huge commercial campaign. On a recent trip to the Middle East, Mr Brock, the American agriculture minister, once again offered a number of countries — not just Egypt, but Tunisia and Saudi Arabia, among others, too — more favourable conditions for the sale of agricultural produce and the granting of loans on what are traditionally Community markets. This could well harm European agriculture, of course. The Council should deal with this as a matter of priority within the framework of the negotiations currently being held with the USA — and, I admit, in the spirit which Mr Genscher has described.

Now as to the situation in the Middle East — the problem has got worse over the past few days with the failure of the talks between Yasser Arafat and Jordan and with the killing of Mr Sartaoui, the PLO representative, at the Congress of the Socialist International — I should like first to congratulate the Council on the positive terms of its declaration, which has been favourably greeted in many Arab countries. This is a first declaration since the Venice one. It expresses a stronger and more determined attitude on the part of the European governments. It is true that a solution to the problem of the Middle East depends on four things.

First, stopping the creation of settlements on the occupied West Bank. Second, recognizing the right of the Palestinian people to self-determination. Third, withdrawing all foreign troops — Israelis, Syrians and what remains of the Palestinian armed forces — from Lebanon. Fourth, harmonizing the Reagan plan and the position adopted by Arab leaders in Fez last autumn.

We agree with these four principles. The recent tragic events after the Brussels declaration do, however, underline the importance and the urgency of specific European pressure in favour of the outlined solutions, particularly the first point (on which all the others depend) on stopping the settlement of large colonies on the West Bank at the instigation of the Israeli government, which, our information suggests, wants to increase the number of Israeli inhabitants by a factor of 20 over the next two years.

We think that the answer to the problem of the Middle East has to be based on recognition of the right of all the parties to existence — which means that the Palestinian people has to have the right to self-determination and that Israel has to have sure, recognized but not extensible boundaries.

We strongly urge the Council both to continue and to step up its drive to negotiate and achieve a peaceful solution via the mutual recognition of Israelis and Palestinians. We condemn all forms of state and individual terrorism in this part of the world — as we

indeed do throughout the world — and we call on the Council not to overlook any practical contribution it can make to improving the tragic situation in which the people in the Middle East are living.

Mr President, I repeat that we insist on the vital point of calling a halt to the programme of settlement on the West Bank. If King Hussein has ultimately declined the offers made to him to participate, on behalf of Jordan and Palestine as well, in a direct dialogue with Israel, it is perhaps — and to a very large extent as far as we are concerned — because of the absolutely shocking determination of some aspects of the Israeli government's pursuit of its settlement policy, which is totally incompatible with self-determination for the West Bank, with or without Jordan's agreement.

I should also like to emphasize that there are possibilities of getting people to agree on this. At last week's Congress of the Socialist International in Portugal, which was marked by a tragic, reprehensible and shocking event, I noticed that there was a certain consensus between the Israeli progressives and the Lebanese progressive socialist party — which proves that there are possibilities of accord. It is true, in spite of the tragic event I mentioned, that agreement is also possible between serious-minded and reasonable Israeli left-wing progressives and those Palestinians in favour of political solutions.

Mr President, my general conclusion is that it is time, in our building of Europe, to stop taking small, sometimes very small steps, time to stop our fine words and pretty statements of intention and propose concrete measures, starting with those that are acceptable to all the workers of Europe and to all the democrats of our part of the continent, in economic and social affairs and in political affairs as well.

IN THE CHAIR: MR ESTGEN

Vice-President

Mr Barbi (PPE). — *(IT)* The President-in-Office of the Council began his report this morning by saying that the Brussels summit was considerably influenced by the agreement, concluded only on the morning of 21 March, on the issues related to the EMS.

Indeed, more than one of us parliamentarians had the impression that the governments represented at the highest level at the European Council in Brussels this March were nearly stunned by what had taken place in the Council of Economic and Finance Ministers during the preceding two days. It even seemed to us that after the effort put forth by the Economic and Finance Ministers to prevent the collapse of the EMS,

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that is, after the concrete demonstration — featuring the acceptance of devaluations and revaluations at first opposed with equal vehemence by the various parties involved — that the motives which keep us united are stronger and more valid than those which tend to divide us; after the demonstration of a resolve to prevent futile considerations of government prestige or understandable exigencies of domestic policy from destroying the Community structures we have so far been able to create — after this great and praiseworthy effort, the highest authorities of our countries seemed to be exhausted. They apparently flinched in dismay from the growing economic and social problems affecting our peoples, problems which call for effective solutions in a context of ongoing Community development. A breathing space was necessary. Everything was postponed until the June meeting of the European Council in Stuttgart, which has been announced so often that it has become almost legendary. Let us hope that the enormous expectations aroused by this meeting will not be disappointed.

Indeed, the Council's communiqué of 22 March is nothing but an uninterrupted series of postponements in the guise of conclusions. The sole exception was the statement on the Middle East, and this deserves attention because it demonstrates that the European Council finds it more difficult to deal with the Community as such than to work in the context of political cooperation. Such cooperation is not properly a Community activity, even though we consider it extremely important and would like to see it officially included among Community goals and functions as the seed of a true, unitary European foreign policy. On the Middle East question, then — as Mr Glinne mentioned a moment ago — the European Council left nothing to be settled in Stuttgart; it arrived at real conclusions which are fully supported by my political party.

There were no conclusions from the Council, however, on the economic and social issues, on enlargement, and on the financial resources necessary for the Community. The communiqué was entitled 'Conclusions of the Presidency on the proceedings of the Council.' And the Presidency — as we understand very well, Mr Genscher — could do no more than inform us of the decision... not to decide, and to postpone everything until June.

Nevertheless, the European Council — given the intellectual, political and moral make-up of its members — cannot help but be aware of the tasks which could be entrusted to the Community to the general advantage of all its peoples: restoring economic stability, encouraging production, fostering the conditions for market expansion without increasing inflation, creating steady jobs, reducing working time. These are not my own guidelines; they are the opening words of the Council's statement.

But then... there follow only a few references — reiterated today by President Genscher — to what we

can expect from the Commission in the field of new information technology, telecommunications, biotechnology; a few referrals to the various Councils for the development of the Community's internal market and foreign trade policy, for the promotion of investments, for a common transport policy. And all postponed until decisions can be made in June, in Stuttgart. The question of the accession of Spain and Portugal shared the same fate, as did — naturally and in particular — the decisions concerning the financial resources with which to confront both the development of Community policies and the problems connected with enlargement.

All this is not new. It would also be understandable; I could say that it would also be acceptable, especially considering — as I said before — the difficult and in a certain sense dramatic events resulting in the revaluation of the mark and the devaluation of the franc. All this would have been nothing new, alas, and it would not have surprised or worried us unduly if this official information had not been accompanied by alarming rumours which shed an ominous light on the future of the Community.

We have heard that the European Council paid considerable attention to the problem of unemployment. This seems logical and obvious. In the official statement mention is made of the intention to pursue an employment strategy and to contribute toward a constructive dialogue with our Parliament on this question. We are gratified by this. On our part, we are making serious preparations: the competent committees are drawing up the positions and proposals soon to be submitted to the Assembly in Brussels. If I may, I would like to take this opportunity to express the hope that all political parties of this Parliament will contribute towards the development of concrete and constructive proposals on this question. We must avoid resorting to abstractions and demagoguery; a member may be able to 'save his soul' with an ideologically perfect minority report, but this will not help us to find effective solutions for the dramatic problem represented by our 12 million unemployed — a human and social problem even more than an economic and political one.

To get back to the Council, however, we have heard it said that in order to deal with this problem of unemployment the French President has proposed the creation of European 'agencies' financed through direct contributions from the individual States, and therefore not included in the Community budget and not subject to control by the European Parliament. I find it virtually impossible to believe such a thing. If it were true, it would signal a readiness to create bodies depending solely from the Council and beyond any kind of democratic control, and this in order to avoid increasing the powers of this Parliament — itself the victim of incredible and totally groundless accusations provoked by absolute misinformation.

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I refuse to believe that in this free and progressive Europe there are those who would reverse the trend towards greater Community democratization begun with the direct election of this Parliament and advocate an even greater concentration of power in the hands of the executive. The Council already has too much power, especially in the legislative area! What is the purpose of denying Parliament even an 'opinion' on certain legislative decisions, and above all of curtailing the only true power we possess: the budgetary power, with its implication of co-responsibility in the management of financial resources?

We trust that this will not occur. We trust that the democratic nature of our Western European society will prevail, along with the conviction that the challenges we face in today's world can best be met through greater unity. We trust that the Council, which has already indicated the policies needed to attain this objective, will be able to embody these policies in precise regulations and provide them with the necessary financial support.

Permit me to make one more observation before I conclude. In the Council's communiqué of 22 March there is only one decision: precisely that one which the Council cannot make on its own, but must share with Parliament: the decision affecting the budget for 1984. In fact, the closing lines of the communiqué mention the commitment made by the foreign ministers on 25 May and 26 October 1982 on financial compensation for the United Kingdom, and they declare tersely that 'the relevant figures for 1983 will be included in the 1984 draft budget'.

Mr President of the Council, if it is true that the Council has the right to prepare the draft budget according to its own lights, it is equally true that the Council has a duty to respect the decisions of the other budget authority — Parliament — which, in February of this year, two months ago, clearly expressed its position on this question (compensation for the United Kingdom) as follows: the European Parliament does not deny the existence of the British question, but it holds that this cannot be resolved through measures of financial compensation; for this it is necessary to restructure Community policies and thereby bring about an improvement in the budget equilibrium. In short, you must carry out the mandate — your mandate — of 30 May!

The Council should take this into account when it launches its draft budget for 1984.

The Commission too should bear this in mind. Mr Thorn, if the Commission were to come forward with projects for compensation of a purely financial nature, betraying the spirit of the mandate and failing to propose the new policies this now-famous document has always implied, Parliament would find such conduct totally unacceptable. Say this clearly to Commissioner Tugendhat!

In this area — the area of new Community policies and the working relationship with Parliament — agreement and harmony between Parliament and the Council should be sought, not conflict, not confrontation. We, the members of the European Parliament, wish to stress the fact that, even before our election by universal suffrage, the ten Member States transferred only two powers from the national to the Community level: the customs system and the system of budgetary financing through own resources. This is the only trace of authentic supranational sovereignty to see the light of day, and we want to preserve it, to make it grow and prosper. We have done this in the preceding years and months. We will continue to do it in the future. The Council knows this, and must take our determination into account.

Finally, we have noted that no mention is made of the Genscher-Colombo Act in the communiqué of 22 March. I should not discuss this question here. It will be gone over in detail by the colleagues who are to speak on the Croux report and on the speech just made by President Genscher. But I would like to make something clear as of now: for us Christian Democrats, if this Act is to represent — as we have heard it said — a step backward in respect to the Treaty of Rome on an essential question like that of the institutionalization of the so-called 'Luxembourg compromise' — and President Genscher has just given us an assurance in this regard, which we believe — if this should be the case, for us Christian Democrats it would be better if the Act were to be dropped without further ado.

Obviously, on institutional questions the Council is not yet capable of promoting the European union for which, back in 1972, it solemnly declared its support. For this reason we are strengthened in our conviction that from now on in order to make any progress it will be necessary to turn directly to public opinion, to the political and social forces, to the national parliaments. Nevertheless, we hope that these rumours are unfounded and that, at least in the restricted context of the Act, the Community can continue its process of unification. We wish you success in your endeavour, Mr Genscher. We have great faith in the German presidency, in its 'European' declaration of faith, in its awareness of the need for unity, in its capacity to initiate, to guide, and to persuade.

Mr Genscher: you have — or to be more precise, we have — little more than two months to prepare for the meeting in Stuttgart so that we will be able to take decisions and avoid further postponements and new crises. We are aware of the serious problems you face. We are sure, however, that you will not be frightened or demoralized by them.

We hope that you will be able to overcome these problems, leading the Community to favourable solutions. Lead us out of this discouraging immobility, this functional paralysis affecting our Community! The great

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majority of the European Parliament is ready to urge you on with its encouragement and support.

(*Applause*)

Mr Fergusson (ED). — Mr President, my remarks follow naturally on what Mr Barbi has said so admirably and from what Mr Glinne himself has said. Each meeting of the European Council that fails to make progress on two or three of the vital issues before it, concerning both internal Community policy and cooperative external policy, emphasizes more certainly than the last the continuing and growing need for the Community to become not just a reactive but a positive, initiative, political-force in the world. Every move among the Member States towards disunity, every display of incoherence or incohesion postpones that day. Without naming names, I would be a little more specific and say that every time a Member State puts national interests before the common interest, however understandably, the external authority of the Community is diminished. Every time we move into internal crisis — although, as I have said before, internal crisis seems to be the prerequisite of progress — the self-confidence of the Community itself sinks as popular doubt and cynicism rise. That is not to speak ill of what has recently been done and achieved. Internally, the common fisheries policy is no mean achievement. On a world scale, it would be unthinkable for the Williamsburg Summit next month to hold any serious decisions without the joint presence of the Community, such an economic power have we become and such is our ability now, at last, to speak more often with one voice.

Yet we remain a defective economic power. Mr Thorn in his very thoughtful speech, commented on our latest internal currency realignments, which again bring into question the stabilizing power of a common monetary system — still, unfortunately, without Sterling — unsupported by common financial and economic policies. Members are certainly reflecting today on a form of economic cooperation which apparently permits one Member State to cut short the tourist trade of all the rest unilaterally, notwithstanding that it is understandable, but with all the consequences and implications for the future of frontier formalities which the President spoke about.

I have this to say about the budget problem and our own financial resources, which Mr Barbi introduced a little while ago. Although the Council's *communiqué* of 22 March is full of hope for the future as usual, such hope has been going the rounds for a terribly long time. The precipice of a new crisis — a bigger and better crisis than anything we have known in this Parliament — is getting very close. I both fear and am glad that the Parliament will not shrink from forcing this issue again if the issue is fudged again. The Parliament stresses, what everyone else knows, that the so called British budgetary problem is, in reality, a Community problem which happens to manifest itself mainly in one area.

Hardly less critical, but even more so from a psychological point of view, is the issue of agricultural policy reform. I think we have heard this one before. The latest menace: a mountain of dead chickens, about to grip the popular imagination hardly less forcibly than it is gripped by the idea of a mountain of old butter in a starving world.

We cannot move forward. The Croux report on the Genscher-Colombo plan is mere fancy until these fundamental and old problems are sorted out once and for all. Beside them, such important problems as acid rain, common transport policy, energy policy, the recognition of diplomas and all the other things the Council spoke about in March, look extremely small. Yet we must move forward, because nothing could better illustrate the need for political initiative by the Community than the latest developments in the Middle East that Mr Glinne referred to. The assassination of another Arab who dared to preach peace; the Israeli Government's proposals for a new batch of West Bank settlements; and the collapse of King Hussein's own efforts to find a compromise. We view with scarcely less concern events in Latin America, Thailand, Assam, and different parts of Africa and the Middle East again.

We must move forward internally too, and that must be the message for Stuttgart; but until the fundamental problems that prevent convergence are agreed, how can we go on to the completion of the internal market, the elimination of all the trade barriers torn down and re-erected with such regularity between ourselves, and therefore to tackling together economic renewal and establishing the new kind of common industrial policy which we all talk about and which alone, in time, can provide the genuine new employment throughout the Community which we all call for, for young and old alike?

Mr President, not only my group but the whole Parliament encourages the Council, the European Council and the Commission in their hopes. We would like to see a greater number of these hopes become reality faster — much faster.

(*Applause*)

Mrs De March (COM). — (*FR*) Mr President, the communist group feels that the European Council has taken a positive step in making employment for young people and employment in general one of its priorities, in an economic climate that favours productive activity and the expansion of markets. These ideas were set out in the conclusions of that Council. Similarly, the European Council was right, to our way of thinking, to invite the Ten to make a substantial contribution to the campaign for economic recovery at the western summit in Williamsburg next May.

We think that, simultaneously, structural campaigns have to be waged against unemployment — which

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means making an effort to bring back growth — and schemes have to be run to help balance and economic stability — which also means making an effort against inflation and for a balance of trade.

Europe clearly has a role to play here.

The recent readjustment of monetary parities also shows just what this role should be. The Community has to help the Ten run schemes and coordinate their efforts to encourage a relaunch of the economy, growth and employment. It is, above all, the crisis and the search for financial profitability of investments alone, to the detriment of growth and employment, which have led to stagnation, to tension and to economic disparity in the Community. And for the same reasons, monetary speculation, that unacceptable waste of finances, has precipitated the readjustment of the European Monetary System by affecting the mark to the detriment of the franc.

Consequently, and if we hope to see disparity and tension wane, particularly as far as inflation is concerned, convergent efforts must be made with growth, using criteria that encourage employment, training, vocational qualifications and the reduction of working time.

We are not sure, moreover, that the Commission's proposals on productive investments really do reflect this need, as economic revival depends largely on the type of industrial policy applied and on the criteria chosen for this policy. Let us take an example. The iron and steel policy, with its system of quotas, contributes to stagnation in the sector and, overall, it fails to encourage growth because it leads to depression. But we will have the opportunity to say what we think about these basic issues in debates other than this one, in particular during the special session that Parliament will be holding in Brussels on employment.

Mr President, the European Council has also mentioned the political question of the Middle East. What we want to do first of all is repeat our strongest condemnation of the cowardly assassination of Issam Sartou. This killing is not just a crime against a human being, a cause and a people. It is an attack on peace, because it is aimed at preventing dialogue and any hope of solution. It is clear that today there is genuine urgency, even if the problem has remained unsolved for several years. We support the Ten's demand for withdrawal of all foreign troops from Lebanon, for the conclusion of the negotiations and for the reestablishment of the full of sovereignty of Lebanon.

The colonization of the occupied territories is advancing in leaps and bounds and making the chances of reaching a positive global solution — which could only be based on the creation of a Palestinian state — more and more unlikely. In spite of the efforts of the PLO, there is nothing to show that Israel is ready to drop its territorial claims and respect the legitimate

rights of the Palestinian people. This is why we shall approve any constructive contributions that could lead the various parties now in conflict to the negotiating table for a lasting solution to the problem.

The European Council's declaration is more or less positive in this respect. It does in fact echo the content of the Franco-Egyptian declaration in favour of the Palestinian people having the right to self-determination — with all that implies. This is of course, we feel, recognition of the rights of the people involved and, therefore of the existence of a Palestinian state.

The Ten should make their presence and their influence felt more strongly, so as to get Israel to withdraw from Lebanon, to stop all colonization of occupied territories and to agree to negotiate. Resolutions Nos 242 and 348 of the Security Council, which you mentioned, Mr President, should therefore be respected.

We also hope that a conference on disarmament in Europe will be held as soon as possible.

The President of the Council and the President of the Commission today confirm in the matter of enlargement, the foreseeable handicaps that hampered the Copenhagen Council. The adaptation of market systems means a reduction in production and in jobs in agriculture and industry. What is this logic and what is this political desire that are based on further sacrifices by the populations of this Europe of ours and on compromising the economic future of whole regions?

Lastly, Mr President, I should like to express the opinion of the French members of the communist and allies group on the Genscher-Colombo report and on the comments which our rapporteur, Mr Croux, attached to it. What we are seeing today, I think, is the institutions really running away from the issue.

The Community is faced with unemployment, disindustrialization, a crisis and American attacks on the principles of the common market. Do you really believe that an institutional project of whatever sort will provide an answer to this challenge? Do you really believe that our Assembly will get a better hearing if it wants to make things move at a pace that national situations rule out? If this House wants to play a positive part, it still has to act in all fields, in both budgetary and institutional affairs, in such a way as to back up the efforts of those States that have decided to equip themselves with the means of fighting the crisis properly. Throwing ourselves headfirst into a wide range of institutional projects will not be of the slightest help with overcoming unemployment in the Member States. And I say so all the more strongly because the people of my country want to see France apply, with no outside interference, the economic and social policy the majority voted for and which they know will help counter the crisis via an economic relaunch.

Following those who advocate dropping the unanimity rule would be refusing the people of the Member

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States the right to make their own political and economic choices. European cooperation must be based on this voluntary approach and not on economic and institutional pressure. This is the framework in which this House can play a positive part, proposing and controlling the activity of the Commission. There is no doubt a great deal to do in this field, associating all the citizens concerned, the trade unions and agricultural and other organizations with the groundwork for the decisions. The people in our countries are not calling for another Treaty of Rome. They want the crisis to be fought with the instruments of the present treaty. Let us not be misled. It is not the instruments that should be changed, but the political will to get the economy of Europe and the whole world off the ground again.

Mr Bangemann (L). — (DE) Mr President, one of Hans Andersen's beautiful fairy tales is called 'The Emperor's New Clothes'. I ask myself whether the European Council is naked or half-dressed, or is it wearing fine clothes and we do not have the courage to tell the truth? In so saying, I am addressing first and foremost the Members who have already spoken. It is not for this Parliament to attest to somebody's political good will. I know that those who now sit before us, my friend Hans-Dietrich Genscher and someone we all know, Emilio Colombo, have the political will to bring Europe closer to unification.

If we accept that they have the political will, but still find that progress is not being made as we would like, we must try to find out why this is so. I shall not now pay any compliments to either Mr Genscher or Mr Colombo, although I should certainly very much like to, and I shall not pay any compliments to Mr Glinne, Mrs de March, Mr Barbi or anyone else: I shall simply try to establish why we are in this situation.

One of the basic reasons, which we should discuss one day and which we must also submit to a down-to-earth, public examination, is in my opinion that there are different concepts of Europe. The first thing that Mrs de March said in the speech she made on behalf of the Communist and Allies Group — I do not know if she was speaking on behalf of the whole group: when I consider my friend Guido Fanti, I doubt it — was: 'We do not really need any institutional progress, because what we have is enough. All we need are a few new social and job creation policies to convince the citizens of Europe.' If I have not misunderstood Ernest Glinne, he takes virtually the same view. They say that this renewed European upswing will in itself carry us forward.

Should Ernest Glinne, as chairman of the Socialist Group, not be taking to heart what they say in French — French is a wonderfully clear language — *'il faut nommer a chat un chat'*? The present French Government, dear Ernest, is surely fundamentally at variance with the fine political convictions of the European

Parliament's Socialist Group. But does this benefit Europe? Does it benefit Europe if the part of the Socialist family that is represented in the European Parliament and by a large majority proposes fine European projects, but utters not one word of criticism when the French President — certainly a not completely unknown Socialist — wants to curtail the European Parliament's budgetary powers and calls this progress for the Community? Or is it any good saying, for example, as Mrs de March did, that the exchange rates had to be realigned because of currency speculation? Other members of the French Government have even said that the policy of the right wing in the Federal Republic forced them to realign the exchange rates.

Is this true? Is there any good in saying this? Does it get us any further? I am not disputing the right of the French Government and the French Parliament, which have a clear majority for the purpose, to pursue a policy which results in a reduction of working hours without losses of wages, which results in an increase in other social rights, which results in the nationalization of undertakings and so increases production costs.

It is not only the French language that makes this clear. All we need is some simple arithmetic: if the price of a car produced in this way in France rises by 10%, if the French franc loses 10% of its value because the labour force is producing less for more money, the result is simply a devaluation of the French franc. That is the truth, Mrs de March. It is not sinister currency speculators or the German right wing that are to blame for this. Your Prime Minister, Pierre Mauroy, said before the French Parliament that the opposition could not stand the thought of the Government getting the inflation rate down to single figures. But in the same breath he criticized the German Government's efforts to achieve the same goal. One way or the other: they cannot both be right. Either this policy is a policy of the sinister right-wing forces, which makes Mr Mauroy a capitalist, or it is a reasonable policy, but if it is, you should not blame others for your inability to keep your own house in order.

Mr Chambeiron (COM). — (FR) This isn't the National Assembly, you know!

Mr Bangemann (L). — (FR) This is not the National Assembly, Sir. What I say is right and I should not have mentioned these things if the French government had not started it. I am not speaking as a German here today, but as President of the Liberal and Democratic Group and the liberals are in the opposition in France at the moment, but all that will change. . .

Mr Baillet (COM). — (FR) This is electioneering! We are not waiting for you to come and change the situation in France!

Mr Bangemann (L). — (FR) If the new French Government commits an act against Europe, I shall criticize it, just as I have criticized the German Government even when it included political friends of mine. I shall criticize any government in the Community which acts against Europe, whatever its nationality.

(Applause)

(DE) On the question of European development there are, in my view, two wrong conceptions and only one that can be right. It must be wrong to say that the addition of a new policy is enough to put everything in order, and it must be equally wrong to confine ourselves entirely to institutional reforms. The two go together, and this can be demonstrated with the very simple example of something that happened in the past. The inability, born of institutional weakness, to find a solution in the fisheries dispute led to a loss of jobs. In other words, a new policy, one which we add on the basis of new institutional powers, can also help to combat the unemployment problem.

Let me give you a recent example. It is incredible how Members of the European Parliament are attacked these days: last weekend I was lucky to escape from a meeting with my life because of the Seveso waste question. I was asked why the Commission and the European Parliament had not made sure that everything was controlled more carefully, why it was not known how this waste was disposed of so that a recurrence of such incidents might be prevented.

I appeal to the French Members of this House, and particularly those who belong to the Communist and Allies Group, to give this Community new powers, to give the Commission the power to issue these authorizations, to check transport operations, to ensure that waste of this kind is deposited in a dump for all such dangerous substances. Then we will have every right to attack the Community if it fails to take action, but today everyone attacks the Community when in fact the Member States alone have the necessary powers. The Community is criticized for the weaknesses, omissions and negligence of various national authorities, and there is absolutely no justification for this. My group therefore believes that we shall not be taking refuge in attack if we now try to carry out institutional progress.

The proposals made by Mr Genscher und Mr Colombo were certainly not — as we all know and as they themselves know best of all — what a convinced European imagines to be the final goal, but they are a step in the right direction, and they still have our support. The outcome of the Stuttgart summit must not signify a withdrawal to positions we have already achieved, but I would add something else, which we shall undoubtedly be considering in the next few months: I believe that in one respect the present method has produced results. I am not disputing that the fisheries

policy and many other policies we have introduced are and in a few months the transport policy and various other things may become *acquis communautaires*. That is true, but I seriously wonder whether this method of taking small steps has not led us into a situation which has destroyed a great deal of European will, particularly among those who would have liked to see the Community making more rapid progress.

I also seriously wonder whether it would not be better for those Member States that want rapid progress to dedicate themselves to such progress more openly, more courageously and perhaps more sincerely — despite the danger that one or other Member State may not be able to keep pace. At the moment, we have seven Member States making progress to a greater or lesser extent and three that do not want to press ahead with this institutional process, and so far I have always accepted this, telling myself — as we have all done — that in the end we can carry the hesitant ones, in the end we can achieve something even if we proceed step by step, as it were. But when I consider the mood in my own country, which is certainly not one of the hesitant Member States, I see a decline in European awareness that is frightening and alarming.

I also regard this decline with particular suspicion because it is associated with other conceptions, which are not only anti-European but also directed against a Western community based on the freedoms and ideas that we defend together with America and our other partners. A political attitude is growing which may spell danger not only for the European Community but also for the future of freedom in Western Europe, and if that is so, we must do more, and doing more means that we must tell our friends in the more hesitant countries that we understand. We would even accept various conditions if we felt they would then go along with us. But we have the feeling that they are adopting this attitude simply to stop us making progress. We should therefore keep these two things quite separate: what we have already achieved and the greater political Community, the Political Union which must just push ahead with those who are prepared to join in.

We are still in the process of discussing this. Parliament will be putting forward a proposal on the subject: I believe that the proposal for a procedure that will lead us to political union, to this new treaty, and the determination with which we call for results will be decisive for this Parliament, for the next direct elections and, in my opinion, for the future of the European Community.

We cannot go on as we have done. We must all realize in a spirit of friendliness that we — that is to say, the hesitant and those who want to get on — are not doing each other a favour. We are pulling the hesitant along much further than they want to go, and they are holding back those who want to get on far more than they would like. That is why, ladies and gentlemen, I

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have chosen to speak so bluntly. Not out of a lack of courtesy, as the President-in-Office of the Council knows, and certainly not because I question his political commitment. Nor am I taking refuge in attack. I stand here as the chairman of a group which is deeply committed to Europe. There is no one in my group who is opposed to this development towards Political Union. But there are many in my group who are concerned about the present state of the Community, because we are convinced that we show far too much consideration for those who do want Europe to have this future, and we must stop being so considerate. We must be frank, clear and friendly, but the words we use must be such that those who want the Community can still see where the future lies.

(Applause)

Mr de la Malène (DEP). — *(FR)* Mr President, Mr President of the Council, the last European Council, as we all know, did nothing. As we all know, eyes were focused elsewhere, in particular on the economic and monetary crisis. And while on the subject, let us regret the initial threats and the blustering that in certain cases accompanied the managing of this crisis. Nothing was decided in the Council, so Stuttgart was fixed. We are expecting a lot of Stuttgart. No doubt also because after Stuttgart, there is Athens, and some people fear that the present socialist government in Greece is more concerned with its own memorandum than with the Genscher-Colombo plan or the financing of the Community. Meanwhile, we console ourselves as best we can, saying that the Community, in spite of the economic crisis and the threats from such and such a quarter and the pre-election commitments, has held firm. The Community continues, but failure in the Council is now a matter of routine. No-one has left. Everyone, is still there — except Greenland, of course, but no-one is very worried about that.

So much the better if the Community continues. We are glad. But it is worth noting, nevertheless, that there is a good deal less enthusiasm. Lasting is a good thing, but perhaps things are not what they seem.

There are two ways of declining — externally and internally. By continually failing to take decisions, are we not declining internally by giving in to the recriminations of some and the threats of others? Are we not running the risk of gradually seeing our institutions, our Community, become an empty shell?

We are seeing our economies get wider and wider apart. We are seeing devaluation after devaluation. France has beaten all records in this field — three in two years. This has dramatic consequences for the Community — positive and negative monetary compensatory amounts which undermine the reality of the common market and, in particular, the agricultural common market.

The common agricultural policy has been undermined for several years now, for financial reasons first of all and perhaps also because of surpluses and bad management. And another threat from inside is this idea of fair returns or net balance, which is just as fatal for the Community ideal. The United Kingdom was the first to bring it up and Germany followed. And some of the less rich countries think that their GDP is such that they too should be taken into account. That too is undermining the Community from the inside. Then there was the Commission's green paper with agricultural indicators that cannot fail to worry us. And this was made worse by a curious report from our colleague, Mr Arndt.

And there is another, more recent threat. People are talking about a kind of à la carte Europe. But if many things are done à la carte, there will not be much Community left.

We can also see the undermining of the democratic control that once operated come what may in our Parliament. All this will be put right at Stuttgart, we are told. The financial problem will be at the centre of the discussions at Stuttgart, we are told. I do not know whether, in a period of crisis, it is a good idea to deal with the problem of the construction of Europe from the financial angle first and foremost. We would have preferred — and we say as much — a more political approach to this strictly financial approach. Never mind. At all events, it will not be our fault.

I should now like to reassert one or two of our group's positions on this issue.

With the common agricultural policy, enlargement, the relaunching of Europe and the striking of a new financial balance — the last two are forcibly linked — we are willing to go beyond the 1% of VAT. We agree with finding new financing for the CAP because we are great believers in striking a fresh balance with new common agricultural policies, but we say that, fundamentally, policies must always precede revenue and we shall never agree with raising revenue in the absence of a policy. And lastly, we say that a response to the current threat is to ensure that we maintain the democratic control that has begun to operate in our Community.

Mr President, we are not fanatical about the institutions or institutional matters. We have always looked upon the institutions as a means and not an end in themselves. But Europe will never progress unless the feeling of belonging to the Community progresses too. So even if there are good points to a technocratic Community, an industrial Community of multinationals and an à la carte Community, they do nothing for the feeling of belonging. Something else is required. What is needed is participation and democracy. Common policies create participation. The farmers know what Europe means. It is only the Community, its

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institutions and our Parliament which create democracy and make it work at European level.

We are anxious for the Stuttgart Council to be concerned with more than financial questions. It must also take these factors into account.

Mrs Hammerich (CDI). — *(DA)* Mr President, when we rise to speak on the Croux report on the Genscher-Colombo Plan, it is not only on behalf of the majority of the Danish population, who are opposed to the EEC. We also speak for a much larger majority who are opposed to the idea of a union with a common foreign policy and who do not want the Community to acquire more power at the expense of the national government. There are very few people in Denmark who want union — 10 per cent at the most. That is the reality. Most EEC supporters in Denmark are against any reduction whatsoever in the right of veto. That's the way it is. Mr Croux writes: 'further delays in the process of European integration cannot be justified to the peoples and citizens of Europe'. You can leave the Danes out of this; we do not want more European centralization, and you will be expected to respect that.

The Croux report is in fact an insult to our way of thinking in Denmark. Not only our desire for self-determination has been set aside, but also our form of government. Our Constitution is treated as though it did not exist. For Mr Croux and those who think like him our Constitution is just regrettable detail, for us it is the backbone of democracy. Let me repeat calmly and deliberately: our Constitution does not allow our Government to transfer sovereignty to foreigners. Sovereignty can only be transferred within a clearly defined framework, and it requires a five sixths majority in our Folketing or a referendum. It is a worthwhile provision which secures the nation against arbitrary acts on the part of the Government. The Community institutions must understand that they are dealing with a Member State which really does have democratic control over changes of substance in the system of government, and we will not compromise on this point.

It is also offensive to read the reproaches meted out in the report to the Danish Presidency under former foreign minister Kjeld Olesen. What have you got against Kjeld Olesen's policies? The man who three times allowed external policy measures to be implemented under Article 113 of the Treaty of Rome in violation of the Constitution. The man who did not think it serious that the right of veto was violated at the agriculture meeting in May 1982. The man who associated himself with the London declaration of October 1981, who associated the Commission with cooperation in foreign policy matters and included security policy! How much more do you expect of a Danish minister? How much uncritical submissiveness do you require of a Danish minister?

In the context of the Croux report, we now ask the Danish politicians sitting here: what are you going to do? How are you going to respect the wishes of the majority of Danes, who do not want union, and abide by the fact that the Constitution forbids it? How far are the Venstre party and the conservatives prepared to go in the face of the situation obtaining in Denmark? How far will you accommodate yourselves to the pressure you are exposed to down here? We eagerly await your reaction.

There are Danish politicians who say that the Genscher-Colombo Plan will not come to anything; it is only a collection of overblown words, and it has already been watered down. It is not worth fighting against. What guarantee have we of that? In the days following the meeting of the Council of Ministers in March, you could read in the Danish papers that Denmark had blocked the Genscher-Colombo Plan, but that was not true. The discussions continue, and foreign minister Uffe Ellemann-Jensen had not — as it was claimed — clearly dissociated himself from the process.

If the Danish Government has serious intentions, it must say so now. A few vague remarks do not reassure Danish public opinion. We call on the Danish Government to take Denmark out of the negotiations on the Genscher-Colombo Plan. It would be a gesture which would show us that we can rely on the government. Take Denmark out of the negotiating group. Respect the wishes of the majority of the Danish people and abide by the provisions of the Constitution.

Mr Møller (ED). — *(DA)* On a point of order, Mr President. Mrs Hammerich spoke as though she was speaking on behalf of the Danish people. I would like to point out that Mrs Hammerich has the support of about one quarter of the Danish people. The rest of the Danish people are on the other side. She put some questions to me but, at this time, I am not entitled to answer them.

Mr President. — Mr Møller, that is not a point of order.

Mr De Goede (NI). — *(NL)* Mr President, previous summits have frequently given rise to scepticism and criticism in this House because of their failure to achieve tangible results. Nor is the European Council, held towards the end of March, likely to be an exception given the absence, once more, of any tangible measures. That summit even failed to set out general Community directives on ways of injecting new life into the Community enterprise.

Granted, the circumstances were not particularly favourable. On the one hand a considerable degree of uncertainty with regard to the Federal Republic of Germany's political course had been removed in the

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wake of the parliamentary elections to the Lower House but one had to set against that the complex situation in France not only as a result of the regional elections but particularly to the economic situation in France. The monetary realignments on the eve of the European Council reflect better than anything else the extent of the problems but also, and happily, I might add, the political will for Community progress. The question is, what constitutes the Community spirit. It is not, I believe, based on coordinated economic and monetary policies of the Member States for it has just gone awry because of the absence of such coordination. At the very most it is a question of carrying out repairs, patching up lop-sided relationships which are the result of resorting to national policies which practically every Member State continues to pursue in the economic sphere.

It is to be hoped that the German Presidency will be successful in introducing a greater degree of convergence into Member State policies before the next European Council in June, for therein lies the heart of the problem. Despite high unemployment the Federal Republic of Germany, the United Kingdom and my own country, the Netherlands, are returning to a relatively favourable position. Inflation and interest rates have fallen considerably, and the balance of payments positions are looking very healthy. Does this then imply that there is room for a strong injection to stoke up the economies and get us out of the doldrums? The example of France is far from encouraging. And yet I am convinced that the June European Council will have to take up this matter. The time would now appear to be ripe, not just for a Community approach but also for a judiciously elaborated plan of selective injections in growth sectors of Community trade and industry. While aligning our economies to those of the United States and Japan cannot be totally discounted, the other extreme of becoming totally dependent on them would be equally unacceptable.

The Copenhagen European Council set deadlines for the presentation of reports at this new European Council concerning investment plans, reallocation of employment and the functioning of the Community internal market.

I would be interested to know how matters now stand for a detailed answer can be delayed no longer, not least in view of Parliament's special part-session on the subject this month.

I should also like to know what will be the Community's reaction to the new situation in the energy sector stemming from the considerable fall in oil prices. A Commission paper on the matter is long overdue, and for that matter, a coordinated energy policy by the Member States even more so. A problem, such as acid rain, provides a good example of this. It was one of the subjects on the European Council's agenda but neither the procedural aspects with regard to this subject nor its precise role in the overall Com-

munity energy policy context have been defined. What is clear, for me at any rate, is the close relationship between environment and economy, nature and energy.

Finally, Mr President, a few comments on the Croux report on the progress made on the Draft European Act. The contents reveal a pragmatic and realistic attitude on the part of the rapporteur who has tried to make a constructive contribution to the eventual enactment of the European Act, criticising it where necessary and expressing approval where possible. His criticisms are especially directed at that part of the Act covering relations with Parliament. We agree with the rapporteur's comments on the matter. His realism is particularly evident on the matter of the voting procedure in the Council where he is prepared to consider departures from what we too consider the only correct interpretation of the Treaty's provisions in this matter, in cases where unanimity can be achieved. But that is as far as we are prepared to go.

Mr President, I have just spoken on the enactment of 'a' European Act. It goes without saying that we cannot welcome every European Act which sees the light of day. That is why I welcome the way Parliament has dealt with it now. We feel the time has now come for Parliament to specify the minimal conditions to be met by such a European Act so as to prevent it becoming the focal point of division within the Community rather than a step towards European unification. The Croux report's motion for a resolution achieves this, in our opinion. The psychological effect of a European Act upon Member State governments and citizens alike could be paralysing if its contents were only to point up the divisions. If, however, the latter can be overcome the effect could be a new impulse for the Community. The Croux report and motion for a resolution represent a worthy contribution in this respect. They will have our support.

Mr Ortoli, Vice-President of the Commission. — (FR) Mr President, after every monetary realignment, the Commission traditionally presents the work of the ministers of finance. The fact that Parliament decided that this communication should be given on the occasion of the debate on the European Council is all the more justified by the realignment having preceded that Council meeting by barely two hours.

Since the beginning of 1983, there has been constant pressure on the currency markets. Two currencies — the Belgian/Luxembourg franc and the Irish pound — have often reached their bilateral limit as far as the Deutschmark is concerned. During almost the whole of February, the Belgian franc was beyond the lower limit and the French franc was under pressure too, although it remained in the centre of the fluctuation band because of maintenance of parity between the mark and the franc. The root cause of this tension is to be sought in international monetary trends and, to an

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even greater extent, in the insufficiently convergent trends of the European economies, with the maintenance of considerable inflation differentials and the continuing gap between the balances of external trade. In addition, the fact that the European economies are not moving at the same rate has contributed to the internal tension of the system.

After the French and German elections, the wait for realignment triggered off tension that involved all the currencies in the system, the mark being under the greatest pressure to rise and the French and the Belgian francs, above all, being under greatest pressure to drop. The Banque de France reacted by a considerable increase in the interest rate on the Euro-franc, allowing the franc to return to the bottom of its band of fluctuation. The Banque nationale de Belgique, for its part, raised the bank rate by two and a half points and took a series of technical measures to make external foreign transactions more costly. Interest rates on the Irish money market were also increased by two and a half points. Countries with currencies at the top of the range reduced their interest rates. There was a one-point drop in Germany on 17 March and a half point drop in the Netherlands on 1 March, followed by a further half-point drop on 17 March.

In the weeks preceding realignment, the situation had polarized, the Deutsch mark and the Dutch florin being in constant opposition to the other currencies in the EMS in the band of fluctuation. The 21 March realignment occurred after the meetings of the Monetary Committee and the finance ministers — which were not requested by a Member State but by the president, bearing in mind the very tense situation on the money market.

On 21 March, after more than two days of negotiation, the ministers and the governors of the central banks in the Member States of the Community decided, by mutual agreement, that, following a joint procedure in which the Commission was involved and after consulting the Monetary Committee, they would adjust the pivot rates in the EMS. We know what these changes were. They vary between + 5.5% for the mark to - 3.5% for the Irish pound and, in accordance with the standard procedure, the pound sterling was brought back within the bilateral limits of the EMS on the basis of its rate against the florin on Friday 17 March.

It is worth noting that, unlike past realignment, all the currencies actually involved in the EMS altered their exchange rates against their partners' currencies, three of them putting them down and five putting them up. Within this range (- 3.5% to + 5.5%), the position of several currencies was fixed by seeking a point which reflected the importance of trade with the other Member States.

The changes in the pivot rates fixed on 21 March, the extent of which is by no means negligible, first of all

made it possible to bring back order to the money market. A reversal in fact occurred, bringing the French franc and the Irish pound up to their ceiling against the mark and leading the Bundesbank to step in to support its currency. This, moreover, has led to the change in the rate of the mark against these currencies being lower today than was anticipated in the changes in parity.

With the other currencies, there was no major change in rates from those recorded on 18 March, just before realignment. These reactions, which were favourable in the main, were also partly due to the strength of the dollar, which rose against the European currencies, particularly the mark.

The agreement on changes in parity made it possible to achieve a satisfactory reflection of the relative values of the currencies. It reflects economic reality and makes for a sounder future for our system. This agreement is strengthened by the accompanying measures that certain countries have already adopted and that are in line with what we are trying to achieve together. On the eve of realignment, both Germany and the Netherlands made their monetary policies more flexible by cutting their interest rates by a substantial amount.

France gave details of the measures it announced during discussion on realignment a few days later. Their main aim is gradually to reduce the rate of inflation and eliminate the trade deficit in two years.

Belgium and Denmark are determined to pursue their policy of austerity.

In spite of the problems and the tension, the EMS has once again proved that it is a thriving, useful and important part of the economic policy of the Member States. These problems and this tension also show the urgency of developing our joint monetary action along the lines discussed here — which you have supported and the Commission will be taking up and expanding. The aim is to avoid the system being weakened by over-frequent modification.

The ECU promotion system has to be strengthened technically. Mr Thorn mentioned this at the February meeting. The Commission will shortly be presenting a proposal on the status of the ECU, so that it really is accepted as a currency in all our countries. And today, I hope, it will be adopting an important communication on financial integration, the main theme of which will be how, with better and more liberal organization of the financial markets, Community savings can be better channelled into European development.

We have to have greater convergence. This is a central issue. We in fact made it a major aspect of our proposals for a further stage in the EMS. We are determined to pursue and develop our action along these lines.

Ortoli

Lastly, we need stronger organization of the international monetary organization in which the Community has to play an active role and speak with one voice — as Mr Thorn also told you in February.

The Commission will get the support of Parliament here — either as such or via the Committee on Economic and Monetary Affairs, to which I intend giving greater details of matters relating to the EMS. Our aim, I should like you to realize, is to develop the EMS, to consolidate it, to expand it and to start the second phase which will confirm its institutional existence as soon as possible.

Mr Colombo, Italian Minister of foreign affairs. — (IT) Mr President, Mr President of the Council, honourable members of Parliament: the President-in-Office of the Council, Minister Genscher, has already described the fine work carried out in recent months to develop the definitive form of the Act, or, as it is beginning to be called, the Solemn European Declaration.

An evaluation of the results of our initiative cannot be unaccompanied by a reflection on the situation of the Community. This Parliament, in its debates, is continually and rightly calling attention to the difficulties and the shortcomings which characterize this situation. If we want to accomplish a greater European integration, we must devote all our strength and all our efforts to this end.

The agreement reached a few weeks ago on the realignment of currencies within the European Monetary System demonstrated the scope and the seriousness of the problems we have to face, but it also supplied — at the end of difficult negotiations — the confirmation that, in the last analysis, there prevails a reluctance to undo what has been done; that our interests, not to mention our ideals, should lead us to preserve what has been created in the course of more than 25 years. Perhaps this is the irreversibility on which so many have pinned their hopes: in my opinion, however, we would be imprudent to count on this; we should rather devote our energies to consolidating the Community edifice.

The problems posed by differences in the rate of economic growth, by the effects of unemployment and inflation, by sometimes conflicting political and economic choices, must be added to the ever more imminent prospect of enlargement. Although undoubtedly significant from a political standpoint, enlargement creates complex problems on the economic level, and makes it doubly necessary to give painstaking thought to the future of European integration.

Our Community is currently involved in searching for solutions to certain immediate problems, including — to mention only a few — the fixing of new prices for the 1983-84 agricultural season, the improvement of

Community regulations on Mediterranean agriculture, adjustments in the iron and steel sector, new research projects.

I am sure that we will eventually find solutions which will encourage the tendency toward an overall adjustment of the Community economy without occasioning useless social costs.

Nevertheless, I am most concerned at the long-term outlook. The Community now finds itself at a crossroads: either it must choose to pursue new goals and further development, or — as it has unfortunately always done in the past — it must continue the daily search for the partial and temporary solutions which, taken all together, have led it into a morass of difficulties.

I do not believe it is necessary for me to analyze the current problems.

Action is what we need, if this unfavourable situation is to be reversed. This is above all the responsibility of the Council, which has access to many studies as well as certain proposals presented by the European Parliament.

The European Council scheduled to meet in Stuttgart this coming June will give us a valuable opportunity to take concrete and meaningful decisions. The adoption of the European Act will certainly be an issue, but so too will be certain priority problems related to the development of economic integration. In my view, these problems should include the following:

Above all, that of own resources. The new resources have become a necessity if we are to attain the objectives contained in the guidelines established by the Heads of State or of Government, i.e.: to maintain what we have accomplished up to this point in the area of European integration; to develop new common policies capable of stimulating the recovery of the European economy and of restoring its competitiveness on the world level; to bring within acceptable limits any eventual national imbalances in regard to the Community budget; finally, to ensure that the third enlargement of the Community will have positive political and economic results.

Refusing to increase Community resources would be tantamount to halting further Community development. Certainly, we must work to improve control of Community expenditure in those areas where it can be considered excessive, including the Common Agricultural Policy. It is a question of applying criteria of good resource management — criteria which are more necessary now than ever — without either compromising the principles and mechanisms on which the common policies are based or penalizing the categories or sectors of production which need the Community system most.

Colombo

Another priority problem concerns the definition of a Community industrial strategy. Community industry is losing its competitiveness for a number of reasons, but the essential one is that at the present time ten different national industrial policies are being pursued, some of them conflicting and some simply inadequate.

The problem remains, therefore, that of coordinating the national industrial policies and of transferring a certain number of operations to the Community level in order to make them less costly and more efficient.

The recent proposals of Commissioner Davignon concerning certain advanced sectors appear to me to be a good beginning and to deserve our support.

Appropriate and parallel decisions on the gradual realization of the Community internal market and a foreign trade policy consistent with the European industrial choices are the natural corollaries of these industrial measures.

We must also work to ensure that the enlargement of the Community to include Spain and Portugal does not result in the penalization of Mediterranean agricultural production. The application of the three general principles of the agricultural policy (prices, preference, financial solidarity) to this type of production should on the contrary be seconded by the new measures projected in the context of the 'integrated programmes'.

An advanced industrial strategy and a policy of agricultural rebalancing should allow us to make significant progress in bringing the economies of the Member States into alignment, thus making it possible to move on to the second phase of the European Monetary System.

It is against this complex Community background that we must view the Italo-German initiative for the European Act. From the beginning this initiative was closely linked both to the outstanding problems of the current Community situation and to the expectations and readiness which do indeed exist — in regard to further European integration. These expectations and this readiness do not always coincide in the individual Member States, but this is all the more reason for coordinating and encouraging them.

The document drawn up over the preceding months again stresses the real need to speed up the process of European integration. The importance of a renewed commitment to European Union — evident in the document — should not be underestimated: in the present Community situation, this can become an important driving factor when joined with the vastly significant historical prospect of unification. If, in the 80's, the Community of Ten were to update its commitment to union, this would in my opinion have a favourable influence on the behaviour of the political forces in making their operative choices. It could also

prepare the ground for the political and institutional reform which this Parliament has been pursuing with tenacity and foresight.

There is another equally important observation to be made. We must overcome the habit of considering European developments as our own particular concern, without viewing them in relation to events taking place in the rest of the world. In reality the European undertaking, although inadequate if seen from inside, represents in the world at large one of the most important new political facts of recent decades. Seen in the context of the world balance of power, it may be *the* most important fact, even though it has been but partially accomplished.

Therefore, in a year as crucial for Europe as this year of 1983, in a year when very delicate issues, affecting the security and thereby the very political future of our Community, are at stake, I believe that a dignified if partial reaffirmation of our desire for union is anything but meaningless. We have seen in recent weeks how important the preservation, or rather the strengthening, of solidarity among our countries really is, and how productive it can be especially in the Western context, where the voice of a united Europe can be effectively added to that of America. I feel, therefore, that a reaffirmation of our desire for union is timely and important, and that this should include an extension of Political Cooperation to cover problems of security. A similar emphasis should be placed on the review clause, which has always been an objective of the European undertaking and which constitutes a commitment to gradual but dynamic development.

Mr Genscher has already mentioned the most important parts of the European declaration.

Above all, I wish to thank the rapporteur, Mr Croux, for his work and for the support he gave to this declaration.

I would also like to say that I fully agree with the views Mr Genscher presented a moment ago, with all his habitual competence and clarity. I wish only to add several general observations on the specific issue at hand.

The negotiations on the project in question confirmed what we already knew. At present, there are governments representing political forces and supported by a climate of public opinion which would not hesitate at the prospect of European Union; this is the case of Italy and Germany, among others. But there are also governments which approach the matter much more cautiously and gradually, influenced in a different way by their electors and by the political and cultural forces in their countries. We have been familiar with this reality for many years, at least since the process of European integration began thirty years ago. It is a reality which has not prevented considerable progress, and this because different viewpoints have successfully

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been kept from polarizing in a sterile confrontation of diverging 'philosophical' positions.

For this reason, I believe we acted wisely in attempting to avoid confrontation in the course of the negotiations on the Declaration for European Union. We devoted our efforts to the search for a compromise which would be acceptable to all. We must not gloss over the fact that in many cases this has meant adapting our steps to the slowest-paced among us.

Mr Bangemann, who spoke with such vehemence, made the suggestion that in matters of this sort those who can should go ahead, while those who cannot should stay behind. This is a weighty political decision, and the time will come when Europe will have to deal with it; for the present, however, we must all work together to accomplish as much as possible.

Displeasing as it may be, I believe that if we view the situation realistically we must be willing to move forward slowly, one small step at a time, if it is clearly impossible to do better. It would hardly be in the general interest to refuse the progress that is possible, raising difficulties and initiating polemics against the wishes of some governments.

I believe the important thing is to see reality as it is; we must not delude ourselves, and we must not attempt to delude others about the results obtained with the European declaration; nor should we allow prejudice to minimize them. These results are not meant to satisfy us completely; rather they are intended to provide a broader basis for our continuing efforts to achieve European integration.

In my opinion, the weeks which separate us from the Council meeting in Stuttgart should be devoted to supplementing the results obtained through the European Declaration with progress in the two areas which have up to now been the most difficult: the decision-making process and the role of the European Parliament.

I would like to dwell for a moment on these two points.

The first — as Mr Genscher has also pointed out — involves the use of the majority vote within the Council in cases where this is laid down in the treaties. There are those who are reluctant to reverse the trend towards unanimity, which they see as a consequence of the Luxembourg compromise of 1966. From this they have laboriously deduced the existence of a sort of 'veto power', in the sense that a vote can be postponed indefinitely whenever a Member State invokes its 'vital interests'. For others, who have not accepted such a compromise, only the literal application of the treaties in the area of majority decisions can have any claim to validity. However, everyone agrees that it would be well to refrain from abusing the 'veto' and to

have more frequent recourse to the vote, at least when vital national interests are not at stake.

In consequence, we have planned to strengthen the Council's decision-making capacity, regulating the means of postponing the vote in a manner to ensure that a decision will eventually be reached. I think that this purpose can be accomplished by enhancing the leadership role of the President-in-Office, so that the Presidency will be led to put into practice the principle of recourse to the vote. This should become standard procedure if the Council is to regain its necessary ability to act.

I must assure Mr Barbi that the Declaration on European Union will certainly contain nothing which can be interpreted — I will not say as a step backward — but as a contradiction of the treaty. It will perhaps be necessary to acknowledge the various developmental aspects, but this can never represent a step backward. Such a proceeding would be senseless, and it in no way corresponds to the intentions of those who have proposed this document.

In regard to the role and the functions of the European Parliament, all through the negotiations — and at the present time, as well — we have asserted the need fully to include Parliament in the politico-economic dimension acquired by the Community in recent years. It is particularly desirable to enhance its supervisory function and to increase its participation in formulating common positions. Opponents argue that the various provisions suggested in order to grant new powers to this Assembly would alter the existing institutional balance and in fact modify the treaties. To these formal objections we reply that there exists a fundamental political need — particularly after the election of the European Parliament — to reinforce the democratic element embodied by this Assembly in the institutional balance of the Community.

The time is ripe for establishing an effective joint decision-making power to be exercised by the European Parliament.

At this point I would like to reaffirm the commitment we made in presenting the Italo-German initiative on 19 November 1981, when we declared our intention to respond to the expectations expressed by this Assembly.

What has already been agreed upon in the Declaration concerning the European Parliament leads me to underline the importance of the systematic definition worked out in regard to the rights of Parliament. Particular attention has been paid to the Assembly's role in the development of European Union and to its relationship with the other Community institutions. I feel that these provisions will allow Parliament to play a greater role and give it a wider margin for manoeuvre: the development of the conciliation procedure; the increase of the supervisory function (general compet-

Colombo

ence on European issues, the right of recommendation, a precise commitment to keep Parliament punctually informed); the broadening of the consultative function to include decisions on Community enlargement and on international treaties; the projected participation of this Assembly in the general review to decide on the treaty on European Union — all these elements represent significant progress.

We will continue our work in the weeks to come, stimulated by your encouragement and your criticism, attempting improvements where we can, on the basis of your indications.

Certain questions are still unresolved. We believe it will be possible to reach an agreement on the provisions concerning the relationship with the Commission, an issue which has often focused the attention of this Assembly. We are trying for an understanding on the principle of full parliamentary consultation prior to the designation of the President of the Commission, and we have proposed the institutionalization of the debate on the programme of the new Commission, also in view of the precedent set here in 1980. We believe that this debate could and should be concluded with a vote of confidence. I believe, considering the matter from the developmental standpoint, that the ultimate result should be a consultation intended to ensure full agreement between Parliament and the governments concerning the composition of the Commission, and an in-depth political debate for the approval of its programme.

This contact with the European Parliament is a problem which is of particular concern to us. I would like to remind you that Mr Genscher and I, ever since the Italo-German initiative was first presented in the fall of 1981, have encouraged a continuous and productive consultation with this Assembly at each stage in the preparation of the Declaration on European Union. We participated directly in the debate in Plenary Session, and successive Presidents-in-Office continued to keep Parliament informed. This dialogue was further developed through informal contacts between the Presidents of the Council, the Commission, and Parliament, contacts which stemmed from the meeting of your Bureau with the Foreign Ministers of the Ten, held on 24 January. We intend to maintain this dialogue and to preserve all forms of contact in order to coordinate the further developments of our initiative more effectively. We believe that this working method should be adopted on a general basis, especially for decisions affecting the fundamental issue of European integration.

I remember what I said in this Assembly when the draft Act was presented: that is, that we would have been happy to hear protests against the modesty of our proposals; instead, we were disappointed to learn that they were already considered to be rather ambitious. This made the path of the European declaration a difficult one. The course of this discussion, however,

strengthens our conviction that we cannot move forward with great strides. At this point we should direct our common efforts toward making it possible to take a small but important step in the area of institutional problems.

In the project of the construction of a united Europe there are no decisive or outstanding moments. We are involved in a long and complex process which must be monitored, encouraged and directed through the continuous interaction of the Community institutions, both among themselves and with European public opinion. The European enterprise is made up of this realism, this patience, and this slow but positive evolution.

At little more than a year from the second European elections by universal suffrage, it is certainly necessary to promote and in every way facilitate the search for new advances in the process of unification with governs our common destiny as Europeans. I am not thinking of Utopia, but rather of a legitimate ideal which has its own strength, from a political viewpoint as well. It is no coincidence that the men who guided Europe's first steps toward unity were people of courage and faith.

I believe I can say that Parliament's new draft resolution on our initiative shows that it has understood our effort to mobilize the forces of solidarity and increase our ability to build a united Europe. The Europe of our many and age-old cultures is still a significant presence in the world. But in Europe, along with numerous other problems, there is a growing tendency to say that nothing works any more, that nothing — economy, politics, society, culture — can be salvaged.

I do not believe in blind optimism, but neither do I believe in superficial pessimism of this kind. It is true that our societies are suffering from a crisis involving both values and fundamental change. However, these societies are still vital, they are expanding in many ways, and they are open to the world. The peoples of Europe understand that they can solve their common problems only if they work together. For this reason we believe that our initiative will play an important role in convincing public opinion that we are not giving up on Europe, and that in a time of trouble we are holding fast to the objective of European Union, in order to provide more security and stability for ourselves and for the world.

(Applause)

IN THE CHAIR: MR MØLLER

Vice-President

Mr Plaskovitis (S). — (GR) Mr President, the Croux report is yet another attempt to exert pressure on

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Council to proceed with the scrutiny of the so-called European Act, and for the latter to be finally approved within the review of the Community's treaties. A review that is being conducted in spite of the fact that the exacerbated socio-economic problems — unemployment, inflation, huge differences in the standard of living between the North and the South — continue to remain unsolved and without the possibility of any substantial approach having emerged so far.

In our opinion this constitutes an indefinite postponement of the task of facing up to these urgent problems, and a diversion in the direction of a utopian vision called European unity. A unity that would only exist on paper, colleagues, since it would be confined to institutional reorganizations while lacking any true foundations. First of all, we take issue with the title of the report and with its repeated use of the term 'European Act' in the sense of any kind of legal obligation. A more correct term would be 'official declaration for European unity'.

As for its content, one of the most basic points made by the report is its proposals for the abolition of the common right concerning the need for unanimity in the taking of decisions concerning matters that are vital for the Member States. But since the conditions under which the Community functions have already been modified by the very clear impositions of the northern countries on its economic and political course, and by the extreme competitive abilities of the industrial and commercial forces in those countries, the negation of the right of a small Mediterranean country such as Greece to disagree with the taking of decisions that might bring about new and adverse consequences in matters vital to its interests would imply an *a priori* resignation and abandonment of its people to the will of stronger third parties.

The Greek Socialists of PASOK cannot possibly accept any such solution. The common right in question has existed and has been exercised, following the Luxembourg compromise, since 1966 and has been associated with the interpretation of the Treaties in such a way as to constitute a parallel legal institution subject to the validity of which the very accession of Greece took place. As for the rest, Mr President, we would not object to the stage-by-stage progress of efforts towards a more closely interlinked Europe for working people and towards a more logical distribution of power and authority within the Community, though always within the bounds of the possible and without premature and ill-founded aspirations that might in the long run bring about the opposite results. We have submitted amendments to that end and in that spirit, and if these are not adopted we should feel obliged to vote against the Croux report.

Mr Pflimlin (PPE). — (FR) Mr President, Honourable Members, I shall simply speak about Mr Croux's excellent report on the Genscher-Colombo proposal. I

am happy to be able to remind you, before the two authors of this proposal, that it was very favourably received by this House. At the time, I did not even notice the reservations which, if I understand him aright, Mr Colombo mentioned just now. Certainly the proposal fell far short of the ambitions of those of us who are hoping to see our institutions develop along federal lines. We gave shape to this desire when we created an institutional committee to draw up a new draft treaty. This committee, of which I am only a humble substitute member, undertook this difficult task. But is it possible to imagine that a treaty on European union can be concluded by the governments of the Member States and ratified by the national parliaments before the elections in May 1984? It seems to me to be highly unlikely.

All we can hope is that next year's elections will mark the firm desire of our people to make great progress towards integration — which the governments and parliaments would obviously then have to take into account. But it is not possible to wait for this optimistic hypothesis to be confirmed. The economic and political situation means that we have to make a certain amount of progress, within the framework of the existing treaties, immediately. This, I think, is the aim of the Genscher-Colombo proposal. It reflects what is sometimes disdainfully called the policy of small steps. I have always thought this was a reasonable policy — and some governments think the proposed steps are still too big.

We do not know exactly how the draft developed over the 18 months following the first presentation in November 1980. Just now, Mr Genscher pointed out to our rapporteur, Mr Croux, that he was working on an out-of-date text. The two ministers here today were also kind enough to give us one or two details about this development. I should like to say, by the way, that it is rather odd that we should only know about these developments and the successive texts through (albeit innocent) indiscretion and that no official communications have been made on the subject (to, for example, our Political Affairs Committee) so that we can bring the discussion up to date.

However, we feel — and I have to say here that the details Mr Genscher and Mr Colombo gave were not entirely convincing — that the draft has been watered down and reduced in scope.

I should like to confine my remarks to three essential points.

First, the extension of Community schemes and political cooperation to fresh fields, particularly security. Second the strengthening of the Council's decision-making powers by a return to the procedure laid down in the treaties. And third, the extension of the powers of the European Parliament.

Given the present state of Europe and of the world, the concern with security, external security, is one of

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the main worries of the people we represent. The policy of détente, which should certainly not be written off for good, no longer masks the dangers to which we are exposed — and which the pacifist and neutralist illusion, in our eyes, only serves to exacerbate. The very people who sometimes object to American hegemony should be the first to demand that, within NATO, a European defence policy capable of balancing the alliance and enabling Europe to take part, on an equal footing, in all the decisions on which our survival depends, should be implemented. But it would appear that the European Council is only envisaging the possibility of conciliation on the economic and political aspects of security. The question of a common defence policy no longer arises and even the minimalist idea I just mentioned failed to obtain unanimous support.

The second point is the decision-making powers. This has already been discussed, so I shall only return to it briefly. Here we have a vital problem which has often come up in our debates — the infamous Luxembourg compromise. We well know, Mr Colombo, that if you were involved, it was because you were in circumstances such that the compromise was the only way out of a situation that could not be allowed to continue. But the veto — because this in fact (if not in law) is what the Luxembourg compromise means if there is a question of the vital interest of a Member State — has been extended to virtually all the issues and decision-making powers have been considerably weakened as a result.

The danger of this compromise was perhaps underestimated in 1966 when we were in a period of economic expansion. But today, the weakness of the Council is a dramatic contrast to an economic and social situation calling for bold decisions on problems that can be solved if we tackle them together.

In his excellent report, Mr Croux makes a proposal which, without ignoring the notion of vital interest, would make it possible to avoid permanent impasse in the case of the Council's failure to take decisions within six months. Conciliation would be organized between the Council, Parliament and the Commission. This is the point below which we could not go without encouraging the institutionalization — for that is what it is — of a violation of the treaties which govern us. And on this point, I can only refer to what Mr Barbi, the chairman of our group, said energetically just now.

My third point is the power of Parliament. Our House has made a whole series of proposals which are summed up in the motion for a resolution presented by Mr Croux. What is the point of calling for an extension of our powers or, more precisely, our influence? It is not vainglorious. We are no doubt more intelligent or more competent than men in government — some of whom, and not the least of them, have been members of this Parliament. One of them, who is here today, has not forgotten that he was once our distin-

guished president! But for the men in government — I am speaking from experience here, as I was in my country's government for seven years — the prime concern is to defend national interests. In times of crisis, when the national economy is seriously weakened and social tension appears, this concern can easily become exclusive and there is a resurgence of national egoism, leading to a temptation to be protectionist.

The dynamic European movement, it has to be admitted, rarely appears in the Council of ministers or the European Council now. Certainly it exists in certain members of these august institutions, but what we heard this morning clearly showed that the European spirit is not evenly spread among all the members of these bodies. If this movement does exist, it can be nowhere else but in this Parliament — not because of our abilities or our personal qualities but because we are the spokesmen for millions of Europeans who, in spite of all the setbacks, continue to believe that only a united Europe can find a way out of the crisis and give them greater social justice in a situation where freedom is better assured. Perhaps too our discussions will enable us to understand each other better and to be more aware of the solidarity that must unite us for better or for worse — in spite of the diversity of national interests and in spite of our differences of opinion.

Honourable Members, in taking part in this debate, I am not wishing to hide the fact that I am uneasy about this, very anxious even, and I have to say that what Gaston Thorn said about disaster if the many problems he listed were not solved at Stuttgart was not calculated to make me more optimistic. What would be very dangerous would be an accentuation of the divergence of opinion between our governments and the European Parliament. In a year's time, we shall be going back to the voters. There is no point in hiding the fact that public opinion is not favourably disposed towards us at the moment. We are not well viewed by a French paper that is supposed to be serious, because a recent article on the European Parliament was called 'A quarter century of non-existence'.

In fact, I think our cause is a good one. We can demonstrate — and we shall demonstrate when the time is ripe — that the European Parliament, which was elected by universal suffrage, after difficult beginnings and staying strictly within its prescribed limits, has increased the very serious initiatives and proposals produced by its committees, with the help of all the political groups, in many fields so as to make for more effective Community action in the fields of the economy, social justice, energy, transport and many more. But it would be disastrous for our defence to do nothing more than blame the governments which failed to accept our proposals.

Let us make no mistake — Parliament will not be the only one to be undermined next year in the eyes of the public. It is the European Community as a whole, the European idea itself. We are all in the same boat. If

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this House were to be condemned by massive abstention, the governments of the member countries would be as much in the line of fire.

In his very remarkable speech, Mr Bangemann referred to the possibility of no agreement being reached. He had an idea which was reminiscent of the two-speed Europe. Honourable Members, that takes me back more than 30 years, to Strasbourg, in 1950, when some people proposed that anyone who wanted to take integration further should lead the way — and that is what they did. And this was the start of the first Community according to the Schuman plan.

I hope that we do not move towards the two-speed Europe. But, once again, there is no time to lose. Under the German presidency, which has given us great hopes, the European Council will be meeting in Stuttgart and I hope that, on the basis of the Genscher-Colombo proposal, the heads of state and government will overcome their fears and their reservations and manage to take, on essential points at least, decisions which are geared to the future European union and will immediately give our citizens good, solid reasons for thinking that Europe is once more forging ahead.

(Applause)

Mr Welsh (ED). — Mr President, others of my colleagues will be addressing themselves to the high ground of this debate, as represented by the very interesting report by Mr Croux and the fascinating animadversions of Mr Colombo; I alas have to confine myself to the low ground of currency parities.

The EMS is possibly more important for what it represents than for what it actually is. What it represents is the remarkable degree of cooperation that has been established within the Finance Council. The fact that we have not suffered from a series of competitive devaluations is very largely because the Finance Ministers of the Ten have managed, not only to get along with each other, but actually to keep out of each other's way, and it is the EMS that gives them the framework for doing this. It was therefore with an icy shiver down the spines of many of us that we realized that the system was in severe danger of breaking down. I think that one should pay a genuine tribute to the statesmanship of the French Government because when one looks at the balance of payments deficit that the French are suffering at the moment and one realizes the pressures that they must be under, even from their own coalition partners, I think it was a remarkable act of courage that they did not turn their backs on Europe, or on convergence but decided to stay in the system. Now I am not a Socialist but I think that one should give credit where it is due and rather than attacking the French Government for not being Community-minded I think one should praise them for having accomplished a singularly Community-minded act.

I should also say, and it needs to be said, that the majority of members of my group continue to urge our government to join the European Monetary System. We lose no opportunity to present that advice and we shall continue to do so. It has always struck us as a great pity that the British have not been able to make their full contribution. I have also to say that I would be deluding you if I suggested that I thought that advice was about to be taken, but we shall nonetheless continue to urge it.

But when looking at the future of the system, we also have to have a certain amount of realism and the fact is that, as I recall, this is actually the seventh major realignment of currencies that has taken place since 1978.

The EMS is, if I may say so, like a weather-hardened ship which has battled through a succession of storms. Each storm threatens the ship's existence a little more. This time it was not a storm, it was a hurricane, and we should all be very glad that the old vessel managed to limp through. However, it is no use now Admiral Stoltenberg and Captain Ortoli and the rest of the crew saying, well, we can now heave a sigh of relief and go drifting on over this ocean until we get to the next storm; somebody has to do something to put the ship in a reasonable degree of repair, so that when the next storm comes she will in fact be able to cope with it. We cannot assume that for ever and a day somehow or other we shall surmount these crises.

We would like to stop thinking of the survival of the system as an end in itself and start looking towards its development. Perhaps the time has come to think more deeply about currency alignments. At the moment we waste most of our energy treating the symptoms, which means making parity adjustments, and we pay far too little attention to the underlying causes which make these adjustments necessary. I wonder whether the time has not come to extend our view of convergence to include discipline in our management of the European monetary base — in other words, to extend the admirable cooperation that exists in the Finance Council to considering the relative sizes of the monetary bases in the different countries. If that were done, then the pressures of expansion could be matched by prudence and the threat of inflationary consequences might be held by concerted action. It seems to us, Mr President, that it is that sort of radical thinking that we must look for from Vice-President Ortoli. Such a development would do a great deal to establish genuine currency stability and would, of course, greatly strengthen the Community's hand in dealing with the United States and the Japanese to secure some sort of world agreement on parities. A great Frenchman once said: 'De l'audace, encore de l'audace, toujours de l'audace!'. I think the time has come for us to be a little more radical and a little more brave.

Mr De Pasquale (COM). — *(IT)* Mr President, we Italian Communists are in favour of the Genscher-

De Pasquale

Colombo proposal because it moves in the direction of greater European integration. Nevertheless, we have at the same time pointed out the dangers inherent in such an anomalous procedure: two ministers who come here with great fanfare to explain their project, while the Council, the body which bears collegiate responsibility, says nothing at all.

Now you, President Genscher, are finally here as a legitimate spokesman, as President of the Council. We also appreciate the fact that Mr Colombo is here. We are always pleased to see Mr Colombo in this Chamber, even though we do not perfectly understand in what capacity he spoke.

In any event, we expected to learn something more, but we were disappointed. We acknowledge the statement made concerning the need to avoid compromises which would create problems in respect to the treaty, but this statement already demonstrates that we are in danger of ending up with a grotesque paradox: the Council would actually be aggravating the existing situation, prolonging its own institutional paralysis and failing to resolve the question of parliamentary powers. If this were to be the result; if you are unable to obtain support at least for the original proposals, you would do better to abandon your project rather than jeopardize the prospects created by the elections by universal suffrage.

Mr President of the Council, the Council should not hinder the effort being made in Parliament's institutional committee to establish a new equilibrium within the Community — an order more rational, more valid, and better suited to the time we live in. Nor should it oppose the proposals drawn up by Parliament through its Committee on Political Affairs to improve the situation within the context of the treaties. For this reason we ask that no decision be taken behind Parliament's back, particularly in matters which concern it directly.

Gentlemen, you have come here three times, telling us less on each occasion. But you, Mr President of the Council, and you, Mr Minister Colombo, should make the effort to come a fourth time, the right time. This means that you should come before a decision has been made, before the decisive meetings, to explain this declaration, this European Act clearly to us, so that Parliament can evaluate a text which is both valid and reliable.

The second elections are drawing near and the attacks on the European Parliament are becoming more vehement. To these unfounded attacks we answer unequivocally that the European Parliament, although affected by the inevitable tensions and contradictions characteristic of every democratic body, has worthily fulfilled its function. It has demonstrated a great sense of responsibility in exercising the few powers it possesses; it has presented a wide variety of proposals in all areas, which, if taken together, form a valid basis for a possible development of Community Europe.

The governments of the Member States, together with the Commission, should accept all this as an integral part of Community action. They should give it serious consideration, responding adequately to every stimulus received from the European Parliament. This has never been the case. Total deafness has been the rule. And as for the results of the Brussels summit, I will only repeat the view expressed by an Italian politician far removed from us, the chairman of the Committee on Foreign Affairs of the Chamber of Deputies, Giulio Andreotti: the results of the summit were not worth the petrol wasted in getting there.

In reality everything has been immobilized, postponed. Solutions are only found when we are about to go down for the third time, and as solutions they are temporary, inadequate, or simply unacceptable. I will give only one example, which has for that matter already been mentioned: if, in the 1984 budget, the refunds for the United Kingdom were to be proposed again in the terms that were used last year, without taking into account the circumstances of the amending budget or the position taken by Parliament, this would constitute a real provocation. I do not think anyone can cherish any illusions concerning Parliament's probable reactions to this sort of thing, and the Commission — Commissioner Ortoli — should take care not to repeat proposals which contradict Parliament's decisions. In so doing, the Commission would be rendering itself liable to censure.

In conclusion, Mr President, we Italian Communists, totally committed in this decisive battle for European unity, express the greatest alarm at an immobility which is being prolonged indefinitely and which diminishes the already limited possibilities of recovery. The pressing need for peace, for detente, for the revitalization of employment and the economy, demand a new and broader political and institutional arena. The Community as it is today, in the condition to which it has been reduced, is being penned in a corner, and will find no relief until it escapes.

President. — You stated that you did not see in what capacity Mr Colombo is present in the Chamber. I should like to point out that any Member of the Council has the right to attend the proceedings here and to speak in the Chamber, and Mr Colombo is a Member of the Council. I believe that we all appreciate the fact that Mr Colombo is here today. We should be pleased if Members of the Council made greater use of their right to be here.

(Applause)

Mr Delorozoy (L). — *(FR)* Mr President, President Bangemann, the spokesman for our group, stressed this morning what we think about the results of the latest meetings held last month. In a few minutes, I should simply like to go back to the agreement on the

Delorozoy

new EMS parities, which was only reached after discussions that were even more tense and difficult than those on previous rectification. And I believe it is right to emphasize the danger — given the frequency of these readjustments and the problems of re-establishing fundamental balance in some countries of the Community — of the European Monetary System going wider and wider off the mark of its objectives, the main one of which has been, ever since the start in 1969, to reflect a desire for cohesion amongst the European currencies so as to counter the constant disorganization of the international monetary system with its anarchic variations and a high rate of inflation.

The European Council of Bremen, in July 1978, set up the European Monetary System and gave it the task of establishing greater monetary stability in the Community and facilitating higher growth within this stability, gradually returning to full employment and reducing disparity within the Community. Four years later, our constant objective reveals that we are far from having convergent economic, financial and social policies in the Member States. Can monetary solidarity go on if it is used almost systematically to rectify errors of management — while the strengthening of the Community's internal market still remains, from many points of view, something that only appears in speeches and good intentions? The latest readjustment of parities on 21 March did not bring about perfect balance, in spite of laudable efforts on the part of the Commission. The parities are still unequal to the realities of the economic and financial situations of certain countries — primarily their inflation, their debt or their revaluation without proper economic justification. To put it mildly, there is no margin safety and everyone knows it is mechanically and materially impossible, without a certain delay, to obtain positive results from an attempt to return to a state of proper balance.

So, we are not masking the truth. The European Monetary System has worked again, it is true, but it is likely to collapse if we do not rapidly see a genuine political desire for European cooperation in the essential fields mentioned this morning by the President of the Commission. It is obvious. Dealing with the effects and not touching the causes deteriorates the system further at each readjustment and brings us further away from the next stages we have to accomplish.

Mr Israël (DEP). — *(FR)* Mr President, Honourable Members, reflection on the institutional order of the Community is a constant concern of the European Parliament. This House, whose role is not always properly understood by the observers, has a duty to intervene whenever there is a plan to alter its relations with the Commission, the Council and the European Council. The political group to which I have the honour to belong intends giving active support to the proposal originally defined by Mr Genscher and Mr Colombo.

Why? First of all, we are pleased to see that the independence of Europe is a strong obligation in the terms of this Act. All this would have been inconceivable without the Community's assertion of its desire to defend the higher interests of the European peoples — with respect for alliances and a concern with solidarity with the peoples of the Third World. We feel it is essential for questions on European security to be included in the Community's general scope as long as we are under constant threat on our continent and it is a good thing for this draft European Act to give adequate coverage of this essential requirement of the people of Europe. It seems very wise for the Genscher-Colombo proposal to specify that there is a central role for the European Parliament, which, in addition to expressing what the people of Europe feel and fulfilling its job of controlling European policies — not to mention its powers over the budget — will, in the authors' eyes, have a special, legitimate part to play in the development of fundamental human rights.

At our next sitting, after all, the European Parliament will be getting the opportunity to adopt a general report on the situation of human rights in the world today. This is a première. No national parliament dares state the truth about human rights in certain countries with which normal and sometimes friendly relations are maintained. We at Strasbourg, I hope, will do so.

If we are to achieve these objectives, it would seem reasonable to propose one or two alterations of an institutional nature — to which the DEP group will willingly agree. The European Council, hitherto only a college with all too often an Olympian outlook, will now be part of the Community order — that is to say it will be supremely responsible for Community affairs and therefore forced to answer for its decisions before the representatives of the European peoples. Certainly, relations between the European Council and this House will have to involve a certain amount of prudence. Although democracy is essential for us all, it sometimes looks as though the heads of government prefer to act on their own. But the idea of establishing these relations between the European Council and Parliament seems to us to be useful.

We also feel that a search for a common foreign policy, which will be on an equal footing with the other common policies, has become a necessity. Political cooperation, as it operates today, is a success, certainly, but because it is a success, we ought to go a step further and establish genuine external solidarity, a power of intervention on the international scene that can express the reality of a Community of 230 million men and women anxious for peace and security. Our Parliament would thus have the possibility of making its voice heard in diplomatic relations between the countries, which is far from being a bad thing, and the Commission itself would also have powers in these fields.

Israel

I shall also mention the Fouchet plan in which General de Gaulle in fact suggested that the Community introduce a common foreign policy with the power of intervention and set up a proper European political commission along the lines of the European Commission in Brussels. This unification of Europe around a common foreign policy is a real Gaullist idea, one of the most authentic ones in a world where the voice of isolated countries, however, prestigious they may be, is often counted as a negligible quantity. The Genscher-Colombo plan, by providing for a common cultural policy and a campaign against international crime and, naturally, referring to social justice, seems to us to be very useful in this respect.

There remain questions of procedure which have to be examined closely and on which, I think, the Council has to take its reflection further. It is important, for example, for the notion of vital interest that a state can invoke in opposition to a quasi-unanimous Council decision to be precisely defined in specifically legal terms, with no consideration of advisability. But it is also important that — what the authors of the draft call for a revision of the CAP, with rationalization of the budget structure should be examined closely. It would be wrong for the Arendt report, for example, to get us to approve a profound reorganization of the CAP on the sly, without — and this is a paradox — the Committee on Agriculture giving its opinion. Mr de la Malène has told you of our surprise, our discontentment and even our anger.

It would also be wrong for budgetary procedure to lead Parliament 'off the rails'. The Political Affairs Committee invited Mr Croux, our colleague, to give the European Parliament's point of view on the Genscher-Colombo plan. Mr Croux's first report got the support of the DEP group. However, we fear that the resolution before us today is too overloaded, that Mr Croux and the Political Affairs Committee have succumbed to the temptation to put too much in. And the boat could well sink. In order to respect the logic of the Genscher-Colombo plan and to signify our acceptance of this principle, our group will not be voting for the Croux report. But it wishes to make known, through me, that it reaffirms that the institutional progress aimed at by Germany and Italy is an important factor in the life of our Community and it invites the Council to speed up its work so that adoption can take place soon, bearing in mind the elements highlighted by this debate, for the greater good of the Community and the people who make it up.

Mr Capanna (CDI). — *(IT)* Mr President, in listening attentively to the reports of Messrs Genscher, Colombo and Thorn, one receives the impression that Europe now resembles a defective steam locomotive: steam comes out of the smoke stack, but the wheels do not turn. In the same way, Europe is standing still, if not actually moving backwards.

I will give three examples.

First: for weeks, if not months, 14 barrels of dioxin (originally in Seveso), a highly toxic substance, have been travelling around the Community, and no Community authority seems to know where they have finally been deposited.

Public opinion in at least five, if not six Member States of the Community is greatly alarmed by this affair. In my opinion, primary responsibility belongs to the government authorities in my own country, Italy; but Italy is certainly not alone in bearing this responsibility. For example, the Commission, responding to a question of mine, made it apparent that it is not exercising the powers granted to it in directive No 19 of 1978.

We therefore find ourselves faced with a mystery fostered by a powerful multinational like Hoffman-Laroche. We can then legitimately ask ourselves: what European Act? The Act that participates in a conspiracy of silence with the multinationals? The European Act of intrigue and mystery?

Second example: we have 12 million unemployed in the Community, but Europe is pursuing a Reagan-inspired policy of deflation which increases unemployment, also by reason of its uncontested subjection to the dollar. This is the origin of the monetary tensions which are causing such upheavals in Europe. European policy seems to be based on the principle: more unemployment, more arms, more destruction of productive capacities — that is, the opposite of a true policy for employment.

Again I ask: is this the European Act now in preparation?

This annoying question of England! England would have the right to be heard if, for example, it stopped buying butter from New Zealand, if it accepted the position expressed by this Parliament on Afghanistan, and if it ceased its occupation of that Afghanistan in miniature, situated in the heart of Europe, which is Ulster.

Third example: the Middle East. Europe stammers along, saying nothing to the need to create an independent Palestinian state in the territories constituted by the West Bank and the Gaza Strip, now occupied by Israel.

I was recently myself in Israel, where I had ample contact with the political and progressive Israeli groups — Zionist and non-Zionist — and I was able to see that in that country, especially in regard to the Palestinian population, illegality is the rule. I became aware of the continuous practice, contrary to every international law, of confiscating land which has been the legitimate property of the Palestinians for decades; I was able to speak with dozens of citizens who had been arrested without ever having been told of the nature of the accusation against them.

Capanna

It is necessary for Europe to grant true recognition to the PLO as the legitimate representative of the Palestinian people, and not only as such: as an entity it should have the right to create a sovereign and independent state in the occupied territories represented by the West Bank and the Gaza Strip. On the basis of these considerations I hope for the sake of Messrs Genscher, Colombo and Thorn that they will not go down in history as the protagonists of a great lost opportunity.

(Applause from various quarters)

Mr Psemazoglou (NI). — *(GR)* Mr President, the meeting of the European Council in Brussels about a month ago produced the impression of a serious political inadequacy of the European Community in the face of the grave European and worldwide problems. Mr President, I wish to insist that a majority within the European Parliament believes that measures to overcome unemployment, inflation and the economic crisis can only prove effective if there is concerted action by the European Community. Consequently, the reorganization and the necessary reinforcement of the European Community go hand in hand with facing the present-day problems of the European peoples.

The perspective of Stuttgart does not conceal the vacuum of Brussels, and since M. de la Malène has expressed concern over the Greek presidency during the second six months of 1983, I feel obliged to answer that the exercise of the presidency should be on behalf of the Community as a whole, including the people in the country that is carrying out that function. I would like to believe that in this way, the Greek government too will exercise its presidency during the second half of the year, bearing in mind that: a) the vast majority of the Greek people support our country's membership of the EEC and the progress of the procedures involved in uniting European people within the framework of a European Community, and b) there is a statutory obligation for our country to take part in all the functions of the European Community, in accordance with the Treaties in force.

I would like to comment that the problems we are facing today are almost ripe for a solution. But I want to stress two problems of capital importance, which were largely neglected in the deliberations of the European Council in Brussels.

The first is that of monetary and credit coordination. It is not sufficient for the European Monetary System to concern itself only with monetary crises and the readjustment of currency exchange rates. The European Monetary System must participate continuously and effectively in the monetary and credit developments of each country. The Vice-President, Mr. Ortoli, said that in a few days we will hear an announcement concerning monetary unification and about measures to promote the convergence of the

economies. Unless these are accompanied by increased political support, I think the result will again be unsatisfactory.

The other important matter also neglected by the European Council in Brussels is the promotion of the Mediterranean programmes. These programmes concern the entire Mediterranean South of the Community, but not just the Mediterranean South. They concern the Community as a whole, and the activation of Europe's economy.

In connection with the European Act and the Croux report, I would like to comment straight away, Mr. President, that the matter is not unconnected with the Community's activities and initiatives in the economic and monetary sectors. Unless there is some progress towards the unity of our peoples and towards the definition of a common foreign and defence policy, we shall not be able to progress towards decisive coordinative measures in matters of the economy. The European Act and the coordination of foreign policy are implicit in the logic and the principles of the Treaties in force today. Consequently, progress towards European political cooperation is a vital necessity. I disagree categorically, Mr. President, with the logic and assertions made a little while ago by my compatriot and colleague Mr. Plaskovitis on behalf of PASOK.

However Mr. President, I would like to say two things: first, European political cooperation cannot conceivably be brought about in a spirit of two-rate development, and concerning this I do not at all think that I can agree with some of the comments made by the Minister, Mr Colombo. My other comment, which I also consider important, is that if there is to be a true European political cooperation it is both necessary and obvious that the self-evidently vital interests of each country, such as territorial integrity and rights of sovereignty according to International law and Treaties in force, as well as a balanced social and economic development of our peoples, will be the responsibility of the European Community and of the European political cooperation in question. This should be made explicit in the European Act. My impression is that on this basis it should be possible to modify the rules concerning the taking of decisions favourable to what was envisaged in the founding Treaty of the European Community.

(Applause)

Mr Hänsch (S). — *(DE)* Mr President, ladies and gentlemen, I should like to say straight away that the great majority of the Socialist Group will be voting for Mr Croux's report because we believe it provides a further impulse that is needed if the Council is at last to finalize the Joint Declaration.

In this debate, which is the second of its kind in six months, I feel — as, I believe, do quite a few of my

Hänsch

colleagues — like a priest in church who is addressing Mr Genscher and Mr Colombo, but does not really mean them and is in fact criticizing those who are not sitting here but out there in other governments and other parties.

Let me summarize what I have to say in perhaps three or four sentences:

Firstly, what you, Mr Genscher and Mr Colombo, intend to do in the Council is — as you yourselves know — at best endorse what already exists, what is now being done. And the Community must be in a poor way if this is regarded as progress, to judge by statements by the French President reported in the newspaper *Le Monde*. We are really in a poor way if we have to see the endorsement of what already exists as progress.

Secondly, we are basing ourselves here on something and Mr Croux's report is based on something which no longer exists. We are no more than summarily informed of the progress — or, I should perhaps say, setbacks — in the Council's negotiations. After all, if we look closely, everything that seems to go on in the Council is a step or further steps away from the Act in the form originally proposed, steps away from the original draft, and we of the Socialist Group find this regrettable.

Thirdly, we know that the items that are coming off worst in these negotiations are those that concern the European Parliament. What appears to be left of the original text is not, to be absolutely frank, enough in our eyes, nor can it be enough for a directly elected parliament. I implore you: if this is the way things are — and we all want to be realistic, of course — then at least prevent the inclusion in this declaration of words which will leave things at their present minimum level for all time.

Fourthly and finally, I see here — and this declaration will not prevent it either — an insidious process of movement away from parliamentary practice and so from democracy not only in the European Community but in the Member States themselves. I am not disputing that the Council is a legitimate democratic body. Its members have, of course, been delegated by democratically elected parliaments. But, in a way that is unique and questionable for a democratic organization, the Council is both the executive and the legislature.

When we realize that the Council is the only legislative body in the Western world to meet behind closed doors and to give itself laws many of which it then enforces through the national governments which it represents, we can see something of the insidious process of movement away from democracy that is going on in the Member States of the European Community.

All of this might be acceptable if what went on in the Council was subject to the control of the national par-

liaments. We could then say that, although we of the European Parliament are not responsible for the democratic control that is needed and are not involved in the democratic process, at least the national parliaments are. But we find that this is not the case and, in view of the vast number of regulations and laws that are now being adopted and enacted in Europe, it probably cannot be so. I once worked it out, taking the German *Bundestag* as an example, but the result generally applies to all the other parliaments in the European Community. In the eighteen months from the beginning of 1980 until mid-1981, some 1 800 regulations and directives were forwarded to the *Bundestag*. You might think that a parliament checks what the Council does.

Do you know how many of these 1 800 directives and regulations appeared as a *Bundestag* paper? A mere 109, or fewer than 6 %. And of these 109 over 60 had already been published in the Official Journal of the European Communities and had thus entered into force before they could be considered by the national parliament. I call that an insidious movement away from democracy, not only in the Community but also in the Member States.

When will you — not you personally, but the Council — realize that this Community can only afford an election, the direct election of the Members of this Parliament, if it actually means something to the electors in Europe. The way things are at the moment, this election will not mean anything. We cannot fail to realize this if we stop evading the issues in speeches from the soap-box. When will we begin to realize that a lower turn-out at next year's elections will mean more than the loss of this Parliament's reputation and legitimacy? Unless there is a major change, unless we — you in the Council, we in Parliament — make a new breakthrough, the whole of the Community will be put to the vote next May. And not only the Commission and Parliament but the Council and the governments of the Member States too have reason to fear this vote.

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

IN THE CHAIR: MR NIKOLAOU

Vice-President

Mr Jonker (PPE). — *(NL)* Mr President, considerable mention has been made in the course of this morning's debate of how little now remains of the original Genscher-Colombo Draft European Act. At every stage of the proceedings, whether official or at ministerial or secretary of state level, the efforts of ministers

Jonker

Genscher and Colombo were further eroded. Laudable efforts, for their objectives were those of translating the political will of their sponsors to give the Community more form, into tangible deeds. The considerable lack of any uniformity of opinion in the Council is now apparent, as was also confirmed in the interventions of both ministers this morning. From being a Community institution the Council has become a forum for the defence of national interests. If I have understood correctly there is no consensus in the Council on the voting procedure, on relations between Council and European Parliament, on defining Community foreign policy, on the extension of Community areas of interest, nor on the investiture debate on the selection of a new Commission. The list is by no means exhaustive but there is little point in devoting all my speaking time to the innumerable subjects on which we failed to reach an agreement.

The question now facing us is: 'What are we going to do about it?' 'What now?' The whole procedure we are now going through with regard to European Union reminds me of that famous book 'Snakes in Iceland'; it had but one chapter, entitled: 'There are no snakes in Iceland'. I am afraid the same must regrettably be said of the book we have been writing since 1975 on European Union. Up to now it has acquired only one chapter, that of the disappointments and failures of the European Union, after the European Act and the European Declaration. Nevertheless the book must be completed. For the Community's citizens there is no alternative to cooperation and consolidation.

Mr Croux's first-rate report — a sentiment which has as also been echoed today — is, for us Christian Democrats, essentially a minimum. Events have, however, already overtaken it. We no longer have an Act but a Declaration and I would like to ask the President-in-Office of the Council: 'What is the aim of the declaration?' I would like to put the same question to the Commission but it is conspicuous by its absence. Will the declaration involve a written undertaking on the part of its adherents or will it be ceremoniously ratified by the Council president at a later date? Should the declaration ultimately turn out to be as bare as it appears today I see little point in having it signed by the ten Member States.

I would reiterate my question, in particular to the Commission, as to how it stands on the matter: signatures or a ceremonious declaration? In the relevant deliberations of 15 October 1982 I commented at the time — that as the events surrounding the Genscher-Colombo initiative began to unravel, its sponsors were, to my mind, in danger of becoming emperors without clothing and to my regret I have to admit that my quip was not so far-fetched after all. It looks as if further progress on the essential points has now been jeopardized. And I should consider it the height of folly to merely catalogue, at a European Council or in a European Declaration, the powers which have already

accrued to Parliament. If the Council can find nothing better on which to concentrate its energies then it might just as well forget about the Parliament. 'We must define the attainable', says Minister Genscher. The last section of the Act is so bare that I have to profess my astonishment at the statement by two ministers of foreign affairs to the effect that they would never countenance something which runs counter to the Treaty. This is just too much to take. Declarations such as these are superfluous.

The Draft Act is divided on decision making in the Council. There is essentially but one solution — a return to the Treaties's stipulations. The Luxemburg Agreement, or better still, disagreement, is not yet dead. It is still alive and kicking and here we are already taking up the issue of the Council and its members. That is a grave state of affairs for such discussions are designed to merely refurbish national interests. In this respect I should like to inquire as to whether, in cases where a Member State invokes its vital interests and requests a vote on it by the Council, the Commission may be called in to rule on the validity or otherwise of such request.

I understand that the Community ministers of foreign affairs intend to deliberate the Genscher-Colombo plan this coming 14 and 15 May, in the absence of civil servants. My own very personal advice is that, in the event of no substantial progress being reached at the meeting, you, Minister Genscher, should have the grace to withdraw your plan. You deserve better than a project eroded to the extent that yours has now become for you must, I feel, surely recognize that a declaration such as that now before us, is in danger of blocking all further Community progress, and not just institutional. It formalizes the absence of any Community progress at this point in time. In this respect I can only echo Mr Hänsch's sentiments of this morning on Community democratization, to the effect that national parliaments are being stripped of powers which are not in turn being recouped by the European Parliament. Minister Genscher, to continue along this course is, in my opinion, not just perilous, both for the Community as such, and for Parliament, for the simple reason that we are having to assist at the annihilation of the initiatives on which this House is currently working. The Council will have its alibi at hand which will consist in their in effect stating: this was the attainable and we have given it our stamp of approval. We now have a respite for the next five years during which we can set our sights elsewhere.

I believe this sets a dangerous precedent and I would therefore urge the minister, in the absence of any noticeable improvement to simply say: 'Look, we've decided to withdraw the plan, for it is much better to keep all options open concerning Parliament/Council relations and to let the former continue the struggle'. Such a solution is infinitely preferable to a formal declaration that an impasse has been reached.

Jonker

While there can be no doubting my esteem for minister Genscher's efforts the withdrawal of his plan should not be allowed to leave his European credentials untarnished.

This in no way implies that further initiatives cannot be undertaken. Mr Bangemann and others have already evoked the need for a new Messina top-level government conference to see which Member States are prepared to commit themselves to further Community progress. I should like to add: let both ministers, if they would be so kind, have a glance at the PPE's (Christian Democratic Group) resolution on this subject, the Community of two diverging speeds, and in so doing, they would be in good company.

Sir James Scott-Hopkins (ED). — First of all I must congratulate Mr Croux on the very serious piece of work which he has put before us in his report, for all the hard work he has done in getting it through committee and, indeed, on presenting it here in a short and powerful speech to this House.

I have been in European politics now since 1960, Mr President, in various positions, posts and jobs, and it seems to me that we are rather like a railway train: we go in fits and starts. Now whether it is the engine driver's fault or the signaller's fault, I do not know. But most certainly we make advances, we leap forward, and then we grind to a halt. And when we grind to a halt everybody is filled with pessimism, as Mr Jonker was just now. It was a very pessimistic speech that he made. I think it is false to do that. It is equally false to be too optimistic. Nevertheless, I must congratulate the President-in-Office for the successes that he has had during the short period of three months that he has had in the presidency this particular time, and the achievements which have taken place during these three months. It is a job well done so far, and I wish him the greatest of success in the three months which remain before the end of the presidency of the Federal Republic of Germany.

One of the great advantages, Mr President, of being a back-bencher is that you can indulge in looking forward and not necessarily dealing with the problems of the moment. That is a job for a minister, and we have had very heavy speeches from a lot of our leaders here. Indeed, I would recommend to the House particularly the one by my colleague, Mr Fergusson — and, indeed, others as well!

But if one looks forward to the future, what one is trying to do is not to fantasize but to be pragmatic. One of the things which I think is in short supply today is idealism about the European ideal and about what we are trying to achieve. What I am trying to achieve, I will not see in my political lifetime. I know that full well. But I think most of us round this Chamber, those of us certainly who are more than 40 years old, are trying to build something worthwhile for the future.

What are we trying to do, and are we making any progress? The answer must be yes. But what do we want? What are we trying to build? I believe we are trying to build a Europe within which future generations of the 21st century can, in point of fact, deal in a common currency. Without a common currency I do not believe that the agricultural policy, which we have spent so many wasted hours arguing about, could ever be really equitable to all the ten or twelve nations of Europe because there is that inbuilt hostility, an inbuilt imbalance in this awful disparity between the currencies; and the green currency, which was brought in to equal things out, has made matters even worse. That is just one of the things I believe we have got to aim at. Maybe the instrument of doing that is the EMS. I do not know; I think it probably is. If so, for God's sake, Mr President-in-Office, make further efforts to extend and develop it.

And then again we want to see goods and people travelling between our countries without let and hindrance.

Fear is what has caused the greatest difficulty in the Community over the past seven years: fear of what will happen to one if one lets one's guard down. I have seen it happen in the Federal Republic, I have seen it happen in my country, and I have certainly seen it happen in the Republic of France. Ministers are frightened, the public and civil servants in particular are frightened of what would happen if this matter was allowed to go on. Up goes a barrier. We must protect ourselves, they say. We cannot do it by putting on a levy; we cannot do it by customs duty; let us think of some ingenious way of doing it. So they do it, and so trade is inhibited.

Now Ministers have got an opportunity to sweep that away, amongst other things. I hope to goodness that in the next four or five years they will all be swept away — not all at once, I know that is impossible. But it can be done, Mr President-in-Office. It must be done over that period.

Then again, look at the interplay of people. Surely to goodness we want people to be able to move freely between all our countries. I believe that can be done too.

Then again, over the past seven years my Prime Minister has said to me many times that she believes that nobody in Europe understands the meaning of 'fair play'; only the British understand it. I do not believe that is true. I believe in point of fact that, given the opportunity, everybody wants to see equity and fairness between Member States. But we have got to do away with the fear of what would happen if they do. And we have got to accept that we have a common cultural background.

This is why I welcome in the Genscher-Colombo report particularly the institutionalization — if you

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call it that — of a proper council, if it is led by imaginative men and women as I believe it will be. This is the hope of building a future Europe for the 21st century which I can wholly subscribe to. I, for my part, will do all I can to help.

(Applause)

Mr Ephremidis (COM). — *(GR)* Mr President, I would first like to make a general comment. Reality is implacable and one cannot easily misunderstand it by disguising its elements. And the elements of reality in the present context are that the Community has been passing through, is still passing through, and despite the self-delusions of some, will continue to pass through a multi-faceted crisis whose cornerstones are the tidal wave of unemployment, the decline of industry, the static or even negative indices of industrial development, and the impasse in the CAP. Alongside, and over and above all this is the certainty that Europe is pursuing a dangerous course and sooner or later may well become the starting point of a Third World War and at the same time the theatre of a nuclear holocaust. Mr President, a situation like that, a crisis like that is not to be overcome by any number of 'we will this' or 'we will that', by a multitude of promises, or by dramatic calls for the success of the summit talks at Stuttgart about which we have heard so much from the two Presidents of Council and of the Commission and from other colleagues. If this crisis is to be overcome, what is needed is a different policy. However, for any such different policy to be applied, it is a vital precondition that the Community, the members that make it up, and in particular those who direct its life should have the will to break free from a double tyranny, the tyranny of monopolistic profiteering, which is the source of the many-sided crisis, and the tyranny of American cold-war policy.

Mr President, this will is lacking and that is why there is no solution, since the true cause of the crisis is not being faced.

Instead, the Presidents, our other colleagues who have spoken, and the rapporteur Mr Croux advocate progress towards European capitalistic integration within the framework of so-called European Union.

Mr President, this is no panacea, it is a propagandistic myth that disguises the truth that this Community, which is a union to do with customs tariffs and an economic organization, is likely to develop into a political and military organization with the result that the existing conflicts and crisis will be exacerbated. From this standpoint, Mr President, we are against what the two Presidents said, and of course we also oppose the report and resolution presented by Mr Croux, and will vote against it. We shall vote against it, in particular, because we disagree radically with this attempt to extend the authority of the Community, especially by accepting the notions of a common foreign policy and

of common action in foreign affairs, because we do not want our country to be subject to any such policy, but to have its own independent national policy, which serves its interests. We shall vote against for the additional reason that there is now a sustained attempt to do away with the system of the unanimous vote and to replace it by the wishes of the directorate, which would be imposed even when this would endanger vital interests of our own country, and we would no longer have even the elementary guarantee embodied in the Luxembourg compromise with the possibility of applying a veto on behalf of the minority. Finally, we shall vote against, Mr President, because as everyone in this chamber and indeed everyone outside it knows, our party, the Communist Party of Greece, opposes the accession of our country to this monopolistic organization because throughout the two years of our membership the consequences have been consistently negative.

President. — There is a problem for the Chair. The Non-Inscribed Members have been allotted only one-and-a-half minutes and Mr Romualdi and Mr Alexiadis wish to speak. How can the one and a half minutes be divided? Either one speaker will have to surrender his time to the other speaker or each will speak for only a few seconds. However, Mr Romualdi is first on the list and I give him the floor.

Mr Romualdi (NI). — *(IT)* I wish only to say, Mr President, that it is improper to carry on a discussion in this manner. I represent, although humbly enough, the four Italian non-attached members, and I bear the administrative responsibility for the one English non-attached member, yet I have been granted only half a minute in which to speak. This I decline to do, and I protest vigorously against this way of proceeding, which is all the more blameworthy in the light of the importance of the problems dealt with in this morning's discussion.

Mr Blumenfeld (PPE). — *(DE)* Mr President, I am, of course, tempted to say a few words to the President of the Council on his opening speech this morning, for example on questions concerning the Community's political and trade relations, particularly with the United States, and matters relating to the Middle East policy. He will understand that I refrain from doing so because I have asked for and been given the floor to discuss a completely different subject.

Nonetheless, I would say to the President of the Council in this context that the Council should attach some importance to occasionally involving Parliament as an institution in relations between the European Community and the United States.

As the parliamentary body which represents the American people, the US Congress is a very powerful institution. This Parliament is not, but we do have direct

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relations with the Congress, which plays a major role in opinion-forming and the formulation of objectives in the United States, and from my many years of experience I cannot help feeling that it would sometimes be a good thing for the European Parliament, with its expertise and its personal connections, to be involved in the process of averting or reducing tension between the Community and the United States. You may not have asked for this advice, but I give it all the same, for you to pass on to your colleagues in the Council.

As regards foreign policy, I have only one point to make. Whatever you as President of the Council or we of Parliament say about the Middle East, we are always behind the times. What you told us this morning has, of course, been overtaken by events in the Middle East in the last few days, the end, for the time being at least, of a dialogue, of the efforts to set in motion a process which will bring peace to the whole region.

Mr Genscher, you and Mr Colombo have today not only made an extremely welcome gesture in discussing questions connected with the European Act, a gesture for which we have expressed our appreciation: you have also expressed your views on the relationship between the Council and Parliament.

We realize that, as President of the Council, you are under somewhat greater pressure to find a common denominator for the divergent opinions in the Council, while Mr Colombo, the other member of the duo as which you face us, if I may put it that way, had something far more pleasing to tell us regarding the desire, at least of the two Ministers from the Federal Republic of Germany and Italy, to involve the European Parliament fully in the process of the formulation of political objectives, in economic development and above all in democratic control.

As Sjonke Jonker has just said, in many areas this democratic control is not exercised by the national parliaments, has been lost or has been transferred, but not to us and quite obviously to no one else: that is the only conclusion we can draw from developments in recent years.

We are one of the three institutions. The Council, as we have repeatedly pointed out, is overweight. It must shed some of the fat of its authority. It must delegate responsibility to this Parliament because, unless a parliament is given increasing responsibility and powers of control, it cannot represent the citizens of Europe or act responsibly in its dealings with the other Community institutions and in the fulfilment of its mandate as a directly elected parliament.

But let me ask you a very specific question, Mr Genscher. Why has it not been possible since 24 January, when the delegation from Parliament met the Council and you promised us that a Council deleg-

ation — COREPER — and a delegation from Parliament would meet, why has it not been possible to enlarge on, let alone adopt, the reports which Parliament adopted in 1981 and early 1982 and have been awaiting a decision ever since?

In plain terms, is it your fault that you have not had the opportunity, that you do not feel able to confront Parliament with a Council delegation or to set a date during your Presidency — which has only another two and a half months to run — or what is the reason? Is Parliament perhaps to blame, for not yet expressing an opinion? We need a clear answer to this question.

We cannot be fobbed off with a statement from you that the matter is in hand and we shall be hearing from you shortly. We want to adopt these resolutions. We want to join with you in now taking these steps, which may be small but are important for Parliament's responsibility and powers of control. If we fail to take them — and in this I agree with Mr Hänsch — the whole of the Community and particularly the Council of this Community will suffer a defeat when the direct elections to the European Parliament are held in 1984.

Mrs Gredal (S). — *(DA)* Mr President, may I once again put to the Council President the following questions: why are the Community's real problems being disguised by this continued work on an extension of the areas covered by the Community, for example, to culture and indeed to the establishment of common legal rules and to changes in the institutional structure? We have not yet convinced the people of Europe of what is really worthwhile in the Community. This very important work is being crowded out by proposals of the kind we are dealing with today. Our populations want to see results. They want to see the Community do something, for example, about unemployment. They want to see results in a large number of areas which are already covered by the Treaty of Rome.

Fortunately the speech of the President-in-Office has good things to say on a number of these things. Why should we spend time today debating a European Act which we know has already been blocked in the Council and which no-one believes will receive any other treatment in Stuttgart. It will not be possible in my opinion to convince the Danish people that the proposed changes should take place. But I am also convinced that other countries besides Denmark do not want the proposed measure as it stands in its entirety. Perhaps they do not say so quite so categorically as the Danes. My proposal is therefore: withdraw the plan and get to grips with the many problems which need to be solved and must be solved.

The Danish social democrats must vote against the Croux report, just as we voted against the flag proposal yesterday. Both items are equally unrealistic. Let us have some results instead, but within the present framework of the Treaty of Rome.

Gredal

I think the Italian Foreign Minister, Mr Colombo, said something particularly apt and sensible this morning. He said: 'let us not foster any illusions, let us not go around making grand declarations'. I think that is something the Council, the Commission and Parliament alike should abide by.

(Applause)

Mr Pranchère (COM). — *(FR)* The monetary readjustment of 22 March means that urgent measures for the dismantling of the MCM are called for to put an end to the penalization of French agriculture, which is feeling the full force of the rising price of imported raw materials and distortions in competition due to the MCM.

I am surprised that Commissioner Ortoli overlooked the agro-monetary consequences of this readjustment and failed to include in his communication some more practical proposals on dismantling the MCM — which are as high now as they were in 1977. They are an infernal machine which makes the French farmers finance the development of their most direct competitors. In particular, the French cattle and pig breeders are the first to feel the negative effects. The MCM mean that countries with strong currencies are artificially overprotected and get too high prices which favour the expansion of their agriculture and their exports.

However, French agriculture is at a disadvantage. Our exports are held back and our imports encouraged.

It is imperative for this distortion in competition to be eliminated, both for agricultural incomes and our trade balance. For the present, on behalf of the French communists and allies, I call on the Council to respect the commitments it made in 1979 when the European Monetary System was brought in. The agricultural price package for 1983-84 should, we feel, include a plan for rapid, programmed dismantling of the MCM — i.e. suppression of the negative MCM and dismantling of half the positive MCM in 1983, followed by total suppression of all MCM in 1984.

This is what should be done, Mr President, for if the Commission cannot submit to us a reform of the system rapidly, so the principle of unity of prices in the Community is re-established, the ill effects will be even more dramatic as far as the French farmers are concerned.

Mr Prag (ED). — Mr President, Europe is once again in danger, it seems to me, of becoming bogged down in a series of dialogues of the deaf. It is no use talking about the lack of political will, because there is no means, technical or institutional, of augmenting that — at least none that I know of. If we complain about the way the Community functions — and we are

always doing that and we all admit its defects — then surely we have got to accept as a consequence that changes in the decision-making procedures are indispensable.

First, we have got to bring the European Council into those decision-making procedures. It seems to me that we lack a proper framework to ensure that things which are strategically necessary are properly followed up, and it is an absolute nonsense that European political cooperation and the Community frameworks should be separate. It is a nonsense and it is impossible to justify it.

The second area where reform is indispensable — and this is dealt with in the Croux report — is on the question of majority voting in the Council. The Council is the Community log jam area. There is no doubt about it. Again it is no use simply saying, as the Croux report does, that we must get back to majority voting. We may want to, but we know that the governments do not and will not. That is why the Genscher-Colombo discussions have resulted in proposals for procedural methods of getting round that log jam or rather of breaking it. I do hope that when the final decisions are made on Genscher-Colombo proposals, we will have something sensible on majority voting and not the old platitudes and the old nonsense which has produced no concrete results.

Finally, I should like to say a few words on the budgetary problem which lies at the heart of so many of the Community's difficulties at the moment. It seems clear to me that we will never solve the budgetary problem unless we are prepared to accept parallel progress along three lines. First, we have got to find some mechanism — and the Commission has already proposed several — which will limit unreasonably high contributions on the part of any Member State. Without that we will not succeed.

Secondly, we have got to find some way of limiting the open-ended nature of support for agriculture, which means in effect support for the creation of ever increasing surpluses of certain products; that is a nonsense and we all know it is a nonsense, and if it goes on it will wreck the common agricultural policy.

Thirdly, we have also — and I am sure this is an absolutely indispensable element — got to accept that there must be new and extended Community policies which will really bite and which are bound to involve a transfer of spending from the national to the Community field. Surely it is not beyond the wit of Commission and Council, Mr President, to combine these three indispensable elements, together in a sensible solution for the development of the Community.

Any government which thinks it can get one or more of those three elements at the expense of the other is mistaken. We have got to have goodwill and sincerity, otherwise all our talk and all our professions of the

Prag

need for political will will not succeed. They will not succeed unless the governments are genuinely prepared to accept a combination of all these three elements. And we must not let the Community once again become bogged down in another of these absurd dialogues of the deaf.

Mr Alexiadis (NI). — (GR) Mr President, we appreciate at face value the positive steps taken recently along the road towards European unification, and concerning which the President of the Council of Ministers and the President of the Commission have spoken, but we consider them to be inadequate. To speed up the associated procedures it is essential for the Community to cease presenting itself as primarily an economic organization and only in a secondary way as a political one. There is a need for its political character to be more strongly emphasized, and for the Community to present a united front in the face of the two superpowers and the so-called non-aligned countries. However, if the European cooperation is to acquire the necessary political initiative, it must first strive for its defensive self-determination so that it may offer greater resilience to the friendly pressures of the United States and ignore the extortions and threats of others. It must cease to fear the nuclear warheads of the SS 20, and must base its every hope on the Cruise and Pershing missiles. The role of Parliament must also be extended, but Parliament should also stop concerning itself with the spectacular and the inessential, with wishful thinking and recommendations, with interminable speeches and amendments of amendments. If it wants to rise in the esteem of the people and the governments, it must put its weight behind those matters that really should concern this common expression of the will of European citizens, and those that can contribute effectively to Europe's unification.

That is all I have to say, because the time allocated to us is never enough.

Mr Megahy (S). — Mr President, I agree very largely with the points previously made by my Danish colleague, Mrs Gredal. She asked the question why we should be debating this at a time of failure of EEC policies in the field of unemployment and many other areas such as regional policy, CAP, budget enlargement. One could go on. Of course the reason we are is that it is one of the oldest political devices known to politicians to distract attention from their failures by concentrating on institutional reform, as if reforming the institutions could in some way solve the real economic and social problems.

Of course the reaction from this Parliament is a completely expected reaction. It reminds me of a band of religious zealots who, when their religion is under challenge, will immediately retaliate that there is nothing wrong with their religion: it has simply never been tried. This is always the response one gets from

this House. There is nothing wrong with EEC integration; let us have more of it. I wonder when Members of this House will actually look at the reality, will look at what is happening in the Council of Ministers and why it is happening and stop mouthing the same old platitudes about the drive towards European integration. It is only, in fact, in this House that you could get the remarkable statement that seems to indicate that the people of Europe are crying out for European integration. This is an ivory tower mentality. None of the steel workers nor the textile workers in my constituency are crying out for European integration. They are crying out for jobs. And that is what we are failing to give them.

Therefore it seems to me that instead of looking at this issue, we ought to be realistic. We ought to drop all this nonsense about European federalism because we know we are not going to get it. We are further away from it now than when the Treaty of Rome was signed. Let us get down to looking at real, practical European cooperation between Member States, dealing with the real problems of this Community, dealing with the regional imbalance, dealing with unemployment. Let us try to cooperate together in real meaningful things and stop all this European flag waving and this so-called advance to a European federalism that nobody in Europe in their right senses wants. The Council of Ministers does not want it; they will kick it into touch as they have done with everything else along with a few nice flowery phrases, just to keep the hopes of people here alive so they they can go on talking about this for the next 20 years.

Mr Brok (PPE). — (DE) Mr President, ladies and gentlemen, I should like briefly to refer to what the previous two Socialist speakers from Britain and Denmark have said. A democratic parliament must ensure democratic control over political activities, and I feel that somebody from Britain, the cradle of parliamentary democracy, should understand this argument.

On the other hand, it is always being said that something must be done about unemployment, and that is why we do not need to talk about institutions. But we have achieved so little in Europe because the decision-making machinery of the institutions is not in order, and to put it in order, we want to do something so that we have an opportunity of combating unemployment.

But allow me to say a few words on the subject about which I really wanted to speak. I should like to thank the President of the Council for the commitment with which the Federal Government has set out on its six months of Presidency. But we must point out that great store is undoubtedly set by the Stuttgart summit and that the attitude of various national governments will cause very serious difficulties. The public see Europe as providing the freedom of movement that allows the waste to be removed from Seveso, salt and

Brok

other chemicals to be dumped in the Rhine and damage to be caused by acid rain, while the people of the European Community have no freedom of movement. This is unacceptable, and something must be done about putting an end to freedom of movement of the one kind and giving the people freedom of movement of the other kind.

This also means that we must take a critical look at the failure of Socialist policy in France, because the foreign exchange restrictions, which obstruct travel, contravene the Treaties by making it more difficult for people to come together within the European Community. It makes no difference whether someone has his passport taken away or has no money to travel. The effect is the same, and we shall see the result this year in particular, when many people from twinned towns will be meeting.

I should therefore like to ask the Commission if it has already taken action in this serious matter. Has it already put appropriate questions to the French Government? Is it preparing to take legal action on the grounds that the Treaties have been contravened? I consider this to be a very dramatic development.

What point is there talking about the removal of frontier checks if any national government whose economic policy fails can prevent people in the European Community from coming together. As a result, the peoples of Europe no longer have any sense of living in the Community, because surely we do not just want meetings of parliamentarians or Councils of Ministers: we want Europe to become a meeting place for its citizens. Only then can we make a reality of the European Community.

The Danish and British members of the Socialist Group who have spoken here must realize that the citizens of the European Community are not tired of the idea of Europe because too much is being done: quite the contrary. If they are having difficulty gaining the support of their people for these objectives, it is not because the European Community is a good or bad thing, but because they do not want to canvass for the Community in their constituencies. That is the decisive political question! In many respects, the issue is simply avoided and we are told some story or other, but this is not a really honest explanation.

That is why I feel decisive action must be taken as regards checks on persons. Although the European summit in Stuttgart will not be able to make any progress in many areas, because not everything can be achieved in six months, of course, something should at least be set in motion in this area as a symbol for the citizens of Europe, because that would mean the individual citizen personally experiencing Europe in a positive way.

(Applause)

Miss Brookes (ED). — Mr President, ladies and gentlemen, the draft European Act is a joint initiative of the Foreign Ministers of the Federal Republic of Germany and Italy which seeks to give fresh impetus to the process of European integration. In order to achieve this goal of injecting new life into the integration process, the draft Act aims at strengthening European institutions, improving the decision-making process and promoting political and cultural cooperation. By developing political and cultural cooperation between the Member States, the authors of the draft Act hope to develop a more comprehensive approach to European integration based on a recognition of the independence of the economic, social, political and cultural elements of our society and on the principle that any attempt at integration which neglects these two elements will never be successful.

The draft Act emphasizes the need for cultural cooperation to be treated as a constituent part of the integration process rather than as a mere detail and calls on the Member States' Governments to develop cultural cooperation between themselves in order to strengthen the foundations of European union.

The role which the authors of the draft European Act envisage for cultural cooperation in the integration process is one not only of complementing other Community action but also of consolidating it. The Committee on Youth, Culture, Education, Information and Sport fully endorses this view and wishes to emphasize the importance of the part which cultural cooperation is being called on to play in this process.

In particular, Mr President, we would like to emphasize the importance of cultural cooperation as a means to developing both an awareness of the common cultural heritage of the peoples of Europe and a better understanding of the rich diversity of that cultural heritage. A better mutual understanding coupled with a greater degree of participation on the part of the citizens of Europe is essential, not only to furthering internal Community policies but also to developing a sense of solidarity in the protection of common interests at international level. This committee is anxious to stress the fact that the draft European Act is not intended to reduce the control of national and local governments over internal cultural matters but rather seeks to develop further the institutional framework for cultural cooperation between the Member States, which has traditionally been carried out at international level, either under inter-governmental arrangements or pursuant to the provisions of the Treaties, and to develop this institutional framework within the limits of existing treaties.

The Committee on Youth, Culture, Education, Information and Sport welcomes whole-heartedly the proposals for increased cultural cooperation and looks forward to playing an active part in the work of Parliament in this field.

(Applause)

Mr Schwenneke (S). — (DE) Mr President, ladies and gentlemen, at the end of this debate we at last come to culture. On behalf of the majority of the Socialist Group I should like to add a few comments on those parts of the Draft European Act dealing with 'culture'.

The European Council or the Heads of State or Government have so far discussed cultural matters at some length on three occasions: first in 1969, then in 1973 and finally in 1976. It remains to be seen whether a profound debate on cultural policy can take place at the next summit in the context of the European Act. The Socialist Group is sceptical about the results that may be achieved. Will the representatives of Denmark, France or Greece agree that in future culture should be one of the elements of the Community even though the Treaties have nothing clear-cut to say on the subject, at least as regards a cultural policy in the narrower sense? In the Socialist Group and in this House we wonder if it is really necessary to deal with 'culture'.

Do we need an independent Community cultural policy? The answers, as we have heard, are conflicting. The directly elected European Parliament gave the Council its answer long ago by setting up a Committee on Youth, Culture, Education, Information and Sport immediately after its constitution in 1979. The majority of the Socialist Group and evidently the majority of the House support this part of the Genscher-Colombo proposals for a European Act. The fact that it covers not only security policy and the approximation of legislation but also a common cultural policy in the form of cultural cooperation is a new and important element, and one that must be followed up. I would add, however, that this must be done not in conflict but in cooperation with the Council of Europe.

Why do we need a further development of the existing cultural policy within the Community? Let me put it in simpler words: why can we not afford not to have a cultural policy of our own or not to take any action in the cultural sphere? Because, in my opinion, we would be violating the spirit and the letter of the Treaties by aligning our actions closely to political goals and, as the European Community, breaking with the continuity and tradition of Europe's cultural past. In other words, as regards the economic side of the European Community, is it possible, for example, to talk about the sales prices of books in the same way as we talk about the price of soap? Can film, as works of art, be geared to competition in the same way as selling tractors or, if the Community really intends to develop from a Community of traders into a Community of its citizens, should it not encourage meetings of a cultural nature, conferences, colloquies, festivals of the peoples, etc. or where programmes for combating unemployment are concerned, should we not be worried about the growing economic problems of creative artists in the Community? Should we not be thinking about remedies for this situation?

We cannot but fully endorse the view expressed by the Commission in its communication to the Council and the European Parliament last year that in the cultural sector the Community must assume the same economic and social responsibility as it has towards other branches of the economy in accordance with the Treaties. Economic and social measures taken by the Communities in the cultural sector must result in the EEC Treaty and the Community's policies being applied to economic and social situations in which cultural activities are pursued and which are by no means without significance for their cultivation and development but have a decisive influence on them. The priority that should be given to culture is evident from the resolutions the European Parliament has adopted since 1980. Urgent action continues to be needed in three areas: the free exchange of cultural assets in the EEC, the preservation of the architectural heritage and the improvement of the living and working conditions of creative artists. The Socialist Group reserves the right to call on the Council and Commission during the life of this Parliament to submit an activity report on the whole question of the social position of creative artists in the Community.

If the Council also intends, to quote Mr Genscher, that the European Act should cover what has so far been achieved on the road to European unification and that the opportunities it offers for further development should be fully exploited, there can be no doubt this further development must be supported and not opposed by the European Parliament. Miss Brookes has given details of the cultural sector in the opinion she has drawn up on the Croux report for the Committee on Youth, Culture, Education, Information and Sport. But at the new European foundation set up without Parliament being consulted and despite the views it may express it cannot be regarded as a contribution to the culture sector.

We want cooperation through which we are given a genuine opportunity of making our cultural policy contribution. We do not want development contrary to the wishes and interests of this House, we want Community, not bilateral tasks in the cultural sector. The Council of Europe has priority in the cultural sector. We have our own specific tasks. The Council, the Commission and Parliament must carry them out together for the good of the citizens of Europe.

Mrs Boserup (COM). — (DA) Mr President, colleagues, as many of you as may be here! I have drawn attention on past occasions to my constituents' implacable opposition to this Genscher-Colombo Plan in its entirety, and that opposition is undiminished. I will therefore limit myself on this occasion to a few comments on this European Act and to some requests for clarification which I very much need to have.

Firstly I would draw attention to a point which I consider important in the context of the discussion of this

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plan, namely that it is fraudulent to claim that the plan can be implemented within the framework of the existing treaties. To make the Council into the organ of political control of both the European Community and European political cooperation is simply not possible and is an infringement of the basic provisions and treaties. The same applies to the proposal that Parliament should participate in the enactment of Community legal instruments. I am sorry, but it does require an amendment to the treaties to confer legislative powers on this assembly.

The rules set out in the Genscher-Colombo-Plan for changing the voting system in the Council are clearly contrary to the Luxembourg compromise, and that compromise was and continues to be an essential precondition for Danish membership of the European Community. There's no getting away from it. I could continue by drawing attention to law and culture and education and I don't know what. I have pointed these things out before and I will not go into them again.

On the other hand I will take this opportunity to put two questions on section A of Mr Croux' motion for a resolution. I should like to know whether the President of the Council can enlighten me on what kind of unanimity was reached in the Council regarding certain political and economic aspects of security policy questions. The Danish foreign minister — both the present one and his predecessor — have repeatedly denied being part of any such unanimity, and I would dearly like to know the truth of the matter. I am also very interested to know where unanimity existed in the Council which dealt with the rapprochement between the Council's various Community-related and political functions. It is a wonderfully broad formulation, but it would be very nice to have it clarified.

So I hope that the European Council, when it meets in Stuttgart, will live up to its own bombastic utterances, or at least those which appear in the European Act: that they will be aware of the international responsibility devolving upon Europe by virtue of its level of civilization (my God!), and that the same Council will be civilized enough to call a spade a spade and a treaty amendment a treaty amendment. The Genscher-Colombo Plan is an attempt to put through treaty amendments without ratification. And that sort of thing is not on, for one of the factors in the Danish level of civilization is respect for the Constitution, and the Constitution is not amended in EEC assemblies but in the Danish Folketing.

Mr O'Mahony (S). — Mr President, in the time available I can only make a number of short, though I hope practical, points. The Genscher-Colombo proposal for draft European Act and the Croux report on it are valuable insofar as they once again focus attention on the need for political development in the Community. I would make two initial comments before indicating a number of specific reservations.

On a practical level it is difficult to debate the matter at all at this stage, since we are not fully aware of the modifications already made to the draft Act by the Foreign Minister's Council or its ad hoc advisory group since October last. I suspect that substantial modifications have been made in response to the diverging opinions of Member States. Indeed this has already been said to us today.

On a more fundamental level it must be said that institutional reform within the Community is no substitute for the development of policies to confront the real problems which face our various peoples. While institutional reform may sometimes assist the development of more effective policies, it is not guaranteed to do so. There is certainly no evidence that these proposals for institutional reforms, motivated to a considerable degree by domestic political considerations, provide the best basis for confronting the continuing economic and social crises which beset the Community.

The draft European Act in its original form proposes substantial diminution of sovereignty, particularly in the case of smaller Member States. It may be that in the future further diminution of national sovereignty may be felt desirable, but that cannot be the case until such time as the Community has demonstrated within its present institutional legal framework the political will to confront real problems such as unemployment, low growth, low investment and continuing regional and social inequalities. In short, policy measures which deal with existing problems must precede major institutional and legal changes and not the other way rounds if European political integration is to continue.

In this regard I cannot support the abandonment of the Luxembourg compromise in favour of majority voting in the Council at this stage. While I believe strongly that the national veto should be used only in the most extreme cases, we cannot expect smaller Member States, or indeed Socialist parties, to abandon it, as proposed, in the absence of any sign of serious intent to radicalize policies to confront the Community's economic and social crises.

In the area of political cooperation I would urge a word of caution. Obviously there is room for greater political cooperation, but this must be based on genuine political principles and not on a desire to construct, for example, a common security policy without regard to principles. If Europe is to have a common position on security in the future, it must be based not on defence policy, as originally proposed, but on an active foreign policy which is committed to peace and which confronts both US and USSR military adventurism in Europe and abroad. There can be no security for Europe without international disarmament, and our objectives must be to seek to bring that about through agreed foreign rather than defence policy initiatives.

Mr Genscher, President-in-Office of the Council. — (DE) Mr President, ladies and gentlemen, I have lis-

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tened to your debate with great interest. I shall not make it as easy for myself as some Members, who have spoken of the Council as if it were some anonymous body and have not named names. You know, of course, that there are people in the Council who share your views. Others are obstructing progress. If you want to mobilize Europe, you will not impress the public by speaking in metaphors that no one understands. I will be quite frank: I was very pleased by many of the speeches that have been made, and there were others I considered poor, but I would not criticize the European Parliament as such just because a few Members say they are against the continued development of the Community towards European Union. I would say to these Members: unless you define our security interests in Europe clearly, you will find this Europe becoming the plaything of international politics. This is also an aspect of foreign policy.

(Applause)

If you are not prepared to include cultural interests in our joint efforts, you will be abandoning an essential aspect of the European identity. That too needs to be made quite clear.

(Applause)

We are all aware that we do not want to do anything here that we can do in the Council of Europe. But we must do more, because through our desire to act together we are, of course, more than the Council of Europe. That is the essential point. You will not make any of the urgently needed progress in the fight against unemployment or in the internal development of our Community unless you join with us within the framework of this European Act in advocating an improvement in the Council's decision-making machinery. That is the major issue. You cannot, on the one hand, say the Council has not taken any decisions and, on the other, be opposed to progress in decision-making which will rid us of the Luxembourg compromise that we all criticize. In other words, we must act together if we want to develop Europe further. To those who believe that we can leave things as they are because their constituents oppose the Genscher-Colombo Act or because they are worried about the sovereignty of their national parliament, because they ask if their Foreign Minister agreed to our making progress towards European Union, I say leaving things as they are is tantamount to taking a step backwards. This Community will break up unless we continue with a dynamic process. That is why we support this Act. And I will say this quite openly: I shall not come to this Parliament with a joint product of the Council of Ministers that is no longer worthy of being called a step towards European Union. I would rather come here and state far more frankly than in the past why this project has failed. The European public will then have to be told why we cannot take this essential step.

(Applause)

I ask you to use the weeks ahead to rally the European public to help those in the various Member States who want to take a step towards European Union and to encourage those who have their reservations in this respect. In the talks the three Presidents have had today it has been agreed that the next meeting between the Council and Parliament's delegation should take place on 25 April and thus before the Foreign Ministers have what I hope will be their final discussions on the European Act in Bonn in May. We have also discussed the question of the other dialogue structures today, and I told the President that I will try to ensure that the Permanent Representatives Committee is available to attend these discussions on the Council's behalf. It is for Parliament to decide who does this. After this debate I have really only one request to make of the House — with many of whose criticisms I agree — and that is that in the crucial weeks ahead it give us the support we need, in public and elsewhere, so that we may achieve what those who are concerned about Europe want, a genuine step forwards on the road to European Union.

(Applause)

President. — The debate is closed.

The vote will be taken at the next voting time.

Petition No 26/81

President. — The next item is the Oral Question with debate by the Committee on the Rules of Procedure and Petitions (Doc. 1-31/83) to the Foreign Ministers of the Ten Member States of the European Community meeting in political cooperation.

Subject: Action taken on Petition No 26/81 concerning 21 Uruguayan prisoners.

Can the Foreign Ministers indicate by which procedure the matter of human rights in Uruguay is being investigated in the context of European Political Cooperation and which conclusions they have so far arrived at?

Can the Foreign Ministers indicate which action has been or will be taken following Parliament's resolution of 9 February 1981 on the violation of human rights in Uruguay and the petition No 26/81 on the same subject?

Mr Van Minnen (S). — *(NL)* I am happy to observe that the minister is rapidly arranging his papers. Nor, I trust, does it come as any surprise to the capacity audience present in the House that we have finally got round to treating this question. Finally, after one year — and it's not your fault, Minister Genscher — the question has come up for discussion and is, I feel, a

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living testimony both to the speed and, in a positive manner, obstinacy with which the mills grind around here.

We are dealing here, Minister Genscher, with a legacy from the Belgian presidency. It is not unheard of to inherit from unknown blood-relations but one would not, for all that, wish to saddle you with the role of testamentary executor alongside that of President-in-Office of the Council for the subject-matter before us has been, to say the very least, overtaken by events. The most unseemly response — and I trust the word 'unseemly' is just seemly enough to be included in the parliamentary minutes — with which Mr Tindemans, speaking for the Council on 9 March last year on the fate of the Uruguayan prisoners, hoped to dispense with the problem ought to shock us every bit as much today as it did one year ago.

The then president of the Council of Community foreign ministers informed us at that time that human rights in Uruguay had been examined, but he did not intend to recommend a Community initiative. On the contrary, he added, 'it is left to the individual Member States to take up the matter with the Uruguayan authorities on a bilateral basis'. As though the full collective weight of the Community did not merit mobilization on just such an issue as human rights. I must add in passing that both the Committee on Petitions, to whom the Uruguayan prisoners launched their appeal, and the Political Affairs Committee, with whom we quite naturally liaised, were deeply dismayed by such an answer. This resulted in our decision to invoke the procedure provided for in Article 42 of our Rules of Procedure in going public by bringing this petition before the plenary sitting of the House. Such a course is, to some extent, a novelty, but no more so than minister Tindeman's terminal answer last year. Had that answer been no more than unsatisfactory no one would have been any the wiser.

Our question to day is two-fold. It represents, on the one hand, a further attempt, at shedding light, this time before the House, on the way in which the Council of Foreign Ministers intend to take up the issue of the continuing human rights violations in Uruguay: torture practices which have lost none of their gruesomeness, but have, rather, become the hallmark of the innumerable human rights violations in the Latin America today.

Secondly we are asking the Council of Foreign Ministers what follow up they have undertaken concerning the Van den Heuvel resolution adopted, one must emphasize, by this House some two years ago, urging the Council to take appropriate action on the petitions submitted and providing guidelines for such measures. It highlights the diplomatic approach, the UN and the, at the time, forthcoming conference of the Commission on Human Rights, in Geneva. Needless to say, that conference is long since over.

What action has been taken on this urgent request, adopted by an overwhelming majority of this House? Such is the main thrust of our question today. We should also like to know what has become of our equally pressing exhortation to Member State governments for an immediate embargo on the sale of arms to the Uruguayan regime.

Uruguay is not a free agent. If it were, I should be tempted to cry out with joy. It is today part and parcel of that hideous Latin American chronicle in which human rights are sacrificed for a trifle. Such then is the background to this, in itself, less than new, oral question with debate. And we cannot any longer refrain from addressing ourselves to this already long overdue issue, not least in view of the fact that yet another in the round of those memorable interparliamentary Euro-Latin American conferences is scheduled to take place shortly. We must come out in favour of hypocrisy or clarity. We also hope that this short debate today will bring about a decisive posture from the Council. That is the challenge our Committee is offering the minister.

Ms Van den Heuvel (S). — (NL) Mr President, the resolution of which I was the rapporteur, on human rights violations in Uruguay, was adopted by an overwhelming majority of this House on 9 February 1981. Needless to say I found such support heartwarming. As has been stated by my colleague, Mr Van Minnen, the Council of Foreign Ministers were requested to draw up suitable joint measures, and I would emphasize the word 'joint' both diplomatically and in the UN framework with a view to making a strong protest to the Uruguayan authorities at their violation of human rights and to repeat such protest in the unlikely event of further abuses being allowed to come to our attention. The Council presidency did not participate in the debate but Commissioner Andriessen, on behalf of the Commission, warmly endorsed the resolution. Parliamentary pronouncements were, we felt, necessary in such cases. Members of Parliament should lose no occasion of bringing pressure to bear on those who are liable to be able to help in any way in order to capitalize on even such limited possibilities.

After the 1981 resolution and debate the European Parliament had occasion, at various times, to address itself to the theme of Uruguay. I shall pause for a while for I see that the President-in-Office was otherwise occupied . . . Thus we had the Barbi resolution on the situation of political parties in that country, on 11 March 1982. On 18 November of the same year the House took up the Lezzi report which highlighted the deteriorating political climate in that country. Needless to say the draft annual report of this Parliament, now in preparation, contains a reference to the situation in Uruguay, authored by the co-rapporteur, Mr Gawronski.

The Community's citizens on whose behalf we are speaking today may rest assured that this subject con-

Van den Heuvel

tinues to be a serious preoccupation of this Parliament. But what are they to think of the Foreign Ministers of their own Member States? Have these ministers given any serious consideration to the task with which the elected representatives of the Community's citizens entrusted them? Mrs Antonelli's petition, before us today, in which she draws attention to the plight of 21 political prisoners in Uruguay, provided the Committee on the Rules of Procedure and Petitions with a good opportunity to take up the matter with the Council. Mr Tindemans's answer of one year ago is disconcerting. That may have eluded the President-in-office, so for his benefit I shall repeat that I find Mr Tindemans's answer last year to be disconcerting. At that time, Mr Leo Tindemans, a former Member of the European Parliament, informed us that, whereas the matter was being thoroughly investigated, he nevertheless ruled out a Community initiative, leaving it up to the individual Member States to raise the matter in bilateral discussions with the Uruguayan authorities. In a word, the Ten remained silent. The window-dressing at the end, to the effect that the Member States would continue to observe developments with all due attention in the framework of European Political Cooperation (EPC), may be considered a mere palliative. Experienced politicians like ourselves recognize this only too well. The Council made no attempt to justify its failure to act on Parliament's resolution. Such justification, it was obviously felt, would be too much of a courtesy for a Parliament whose election in May 1984 — I can see it all now — will be the signal for a veritable outpour of laudable statements and warm commendations from the same heads of State and Government.

We are all greatly preoccupied by these elections and their relative failure to arouse interest among the Community's citizens in the work of this Parliament. But should it really be all that surprising? Is it not striking that Parliament, as one of the few Community institutions which endeavours to comply with the concept of the Founding Fathers, runs the risk, by being the only elected body, of becoming the victim thereof?

My group is indebted to the Committee on the Rules of Procedure and Petitions for raising this issue in the form of an oral question with debate at this plenary sitting. The dismay caused by the less than helpful behaviour of the Council of Foreign Ministers risks obscuring the subject-matter, namely Mrs Antonelli's appeal to the Council to intercede on behalf of 21 Uruguayan prisoners who are being subjected to untold suffering. It would be superfluous for me to dwell on the torture methods practised by the Uruguayan authorities, for they have been evoked at length during the debate on the occasion of the presentation of my report to the House in February 1981. Suffice it to say that human rights continue to be violated in Uruguay. More than 1 000 Uruguayan citizens are currently being detained in totally unacceptable conditions. One of them is Liber Seregni who has become a symbol of unity and cooperation among Uruguayan

democratic forces and of resistance and the struggle for democracy. It is still not too late for the Foreign Ministers of the ten Community Member States to ascribe a high priority to human rights and to take action. Allow me to reiterate my appeal to the current President of the Council of Foreign Ministers to adopt a more positive attitude than that of a previous Council President to whom I have already referred.

Mr Alavanos (COM). — (GR) Mr President, I agree with what the colleagues who spoke earlier have said, and I would like to add that defending the rights of the Uruguayan people is particularly important, not only because those rights are being suppressed in the most brutal way, but also because the people have been heroic in their refusal to be subjugated, as they showed by their attitude to the referendum of 1980 and their mass condemnation of the governmental candidates in the pseudo-elections held a few months ago, in November 1982. I therefore wish to take this opportunity of raising the matter of defending human rights in Uruguay, and to make a special plea on behalf of General Liber Seregni, leader of Uruguay's broad front, who is a political prisoner and who is today perhaps the most eminent such prisoner in Latin America.

A second matter I would like to raise is the problem of the United States of America. It is well known that the United States are behind this brutal suppression of human rights. Yesterday, the American network, ABC, admitted for the first time that Americans are active within the territory of Nicaragua. Similar interventions by the United States are taking place in South American countries as well. I would therefore like to ask Mr Genscher, who has said that he does not want Western Europe to become the plaything of the two superpowers, why he allows himself to be the plaything of the USA so far as Latin and Central American are concerned? Why does he not give a firm 'no', which would contribute to the isolation of the anti-humanitarian, barbaric and criminal policy of the United States.

Mr Genscher, President-in-Office of the Foreign Ministers. — (DE) Mr President, ladies and gentlemen, when the last speaker referred to isolation and barbarity, I thought at first he was talking about the Soviet intervention in Afghanistan, but he did not say a word about that.

As regards the oral question, the Foreign Ministers of the Ten share the concern felt by the Members of the European Parliament about violations of human rights in Uruguay and particularly the treatment of political detainees. The conditions under which they are held appear to be unacceptable. The concern felt by the Ten has been expressed both in international bodies, most recently at the 39th session of the UN Human Rights Commission, and in bilateral contacts with the Uruguayan Government.

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I would add that we welcome Uruguay's cooperation with the Human Rights Commission in Geneva. We hope that account will be taken of the views expressed in a number of individual cases by the Committee on Human Rights under the International Pact on Civil and Political Rights pursuant to its optional protocol. I shall also suggest to my colleagues that we again make representations to the Uruguayan Government on the basis of the information now available to us and jointly, as the ten Member States of the European Community.

IN THE CHAIR: MR KLEPSCH

Vice-President

Mr Van Minnen (S). — (NL) I had wanted to raise a point of order, Minister Genscher, for I found your last remark most encouraging albeit in contrast with what Council President Tindemans said last year. But exactly how do you intend to keep us informed? Do you envisage any new developments and, if so, within the near future? If not, we are merely groping in the dark.

Mr Genscher, President-in-Office of the Foreign Ministers. — (DE) When we are able, we shall inform Parliament.

President. — In other words the Council itself will raise this matter again.

The debate is closed.

6. EEC-ASEAN Session

President. — The next item is the statement by the Council on the outcome of the Fourth EEC/ASEAN meeting.

Mr Genscher, President-in-Office of the Foreign Ministers. — (DE) Mr President, ladies and gentlemen, the Fourth EEC/ASEAN Foreign Ministers' Conference was held in Bangkok on 24 and 25 March of this year.

With your permission, I shall begin by reporting on the proceedings and outcome of this meeting and on the state of EEC/ASEAN cooperation. I feel I should take this opportunity to refer to the exemplary cooperation between two regional associations of countries — the European Community and the Association of South-East Asian Nations. Ten years ago the Commis-

sion of the European Communities and the ambassadors of the ASEAN countries began this interregional cooperation with initial contacts in Brussels. The first EEC/ASEAN Foreign Ministers' meeting in Brussels in 1978 laid the foundations for close economic cooperation and a political dialogue between the two regions. This formed the basis of the cooperation agreements concluded in Kuala Lumpur in 1980. The interregional cooperation between the European Community and ASEAN is today seen as a model of such cooperation. The importance attached to the exchange of views and cooperation with ASEAN was evident from those who attended the Fourth EEC/ASEAN Foreign Ministers' Conference. All the Community countries were represented, seven by their Foreign Ministers, and Vice-President Haferkamp attended on the Commission's behalf. All five Foreign Ministers of the ASEAN host countries attended the conference. The Fourth EEC/ASEAN Foreign Ministers' Conference in Bangkok demonstrated the viability and future prospects of this interregional cooperation. The joint final communiqué adopted on the conclusion of the two days of talks in Bangkok emphasizes the large measure of agreement between the two Communities in their appraisal of political and economic questions. I will pick out the most important points. Firstly, on Indochina we reaffirmed our joint position. Vietnam must withdraw all its troops from Kampuchea.

The Kampuchean people must obtain their right to self-determination through a political solution. The recent Vietnamese offensive in the Kampuchean-Thai border area gives this appeal for a political solution particular poignancy.

The Ministers jointly condemned the attacks on a refugee camp on the Thai frontier as a violation of basic principles, of humanity and of the UN Charter. The situation of the refugees in the Kampuchean-Thai frontier area was discussed at length. Thailand and the international aid organizations were praised for their efforts to alleviate the misery of the refugees. It is now to be feared that the development work that has been done by international aid organizations will be undone by the Vietnamese attacks on refugee camps.

Secondly, both sides agreed that the Afghanistan question continues to place a serious strain on the situation in the region and on international relations. They stressed their concern at the continuing stream of refugees from Afghanistan. The Community's Foreign Ministers referred to the European proposal of 30 June 1981 for a comprehensive political solution. The ASEAN Foreign Ministers declared their support for this proposal.

Thirdly, on the question of the Middle East we emphasized the urgent need for an early solution and called on all concerned to seize the present opportunities for progress towards peace.

Genscher

Fourthly, we agreed that the continuing difficult world economic situation and the effects it is having on both groups of countries can only be overcome in a spirit of increased cooperation and that confrontation will not solve the problems, and that we must not shrink from making the necessary structural adjustments. Any solution must be based on the strengthening of the world trade system founded on GATT. We intend to cooperate in particular within the framework of UNCTAD IV, in the early resumption of the North-South dialogue and the question of raw materials.

Fifthly, we fully agreed with our partners in the ASEAN countries that cooperation under the present agreement has been successful and has now reached a satisfactory level of diversity and intensity, which must be maintained and, if possible, increased. When these results are assessed, it must be remembered that the political and economic climate in the world has become tougher. The Fourth EEC/ASEAN Foreign Ministers' Conference took place against the background of a serious structural crisis in the world economy. The outcome of the conference shows that cooperation is not confined to periods when things are going well. The problems both sides face have not detracted from their desire for cooperation. They have in fact made it clear how dependent the various countries are on each other. The outcome of the Bangkok meeting underlines that in neither the political nor the economic sphere will the 15 countries be adopting the course of national egoism that sometimes appears easier but is ultimately harmful. They will not yield to pressure or indolence in their joint support of the independence of Kampuchea and Afghanistan. They will not succumb to the temptation of economic protectionism. On the contrary, they have reaffirmed that the two regions are committed to the principles of freedom and the open market economy. This solidarity forms a sound basis for increasing cooperation.

This economic and political cooperation between two Communities has given cooperation a new dimension. The outcome of the Foreign Ministers' Conference in Bangkok shows that it has not taken long for this new dimension to become a reality. Trade between the regions has increased, industrial cooperation has grown, development cooperation has been extended. Together we are trying to develop a world economic system that works. Coordinated efforts are helping to safeguard peace throughout the world. The voice of 15 countries, united in two regional groups, has gained in international significance. What makes it all the more important is that these countries include industrialized countries and raw materials producers, Western and non-aligned States, countries with different cultures and religions. The discussions in Bangkok indicated possible ways of increasing the breadth and depth of cooperation.

I should like to stress one point at this stage: in the joint communiqué the Ministers expressed their satisfaction at the development of contacts between parlia-

mentarians from the two regions following the visit by ASEAN parliamentarians to the European Parliament in November 1982. This recognition is an appeal to the Members of this House to continue along this road.

For the first time the discussion of political questions in Bangkok covered not only regional subjects but also matters of global importance. I have already mentioned the Middle East problem. The extension of the discussions to include this subject is important because certain ASEAN countries belong to the non-aligned and the Islamic movement. This is a major development in political cooperation between the two regions.

The discussion of world economic questions in Bangkok again made it clear that both sides are convinced of the need for closer cooperation as partners, even in regard to world economic matters. This cooperation must be used to ensure the success of UNCTAD VI and the resumption of the North-South dialogue. It relates in particular to raw materials questions. In this area, the Community has in the past accommodated ASEAN, which, being a major raw materials producer, is especially interested in this sphere, by acceding to international agreements. It has reaffirmed its desire to continue doing this in the future and to cooperate closely with ASEAN in increasing the effectiveness of existing agreements and in concluding new ones where they are needed. In our appraisal of the development of cooperation between ASEAN and the European Community since the agreement was concluded in 1980, we agreed that diversification and the growth of cooperation had enabled this framework agreement to be filled with life in recent years. The on the whole gratifying rate of growth in trade between the two groups of countries despite generally difficult world economic conditions has been due, among other things, to the continued development of the Community's Generalized Preferences System, which in many ways encourages ASEAN exports to the Community through exemptions from or reductions of customs tariffs, and to a whole package of jointly agreed trade promotional measures. Just one example here is the recent joint sectoral industrial conference in Kuala Lumpur, the object of which was to encourage industrial undertakings on both sides to cooperate more closely. An important factor in this cooperation will also be the forthcoming agreement between the regional banking associations on the joint promotion of such ventures and European investments in the ASEAN region, which in the final analysis only the private sector can make. Without wishing to imply that I have covered the whole range of the forms and areas of cooperation that already exist, I should like to stress that this cooperation has played a not inconsiderable part in helping the two groups of countries to absorb the repercussions and overcome them better. We were also agreed on this in Bangkok. The political signals given at the Fourth EEC/ASEAN Foreign Ministers' Conference in Bangkok were many and varied. They called primarily on the Soviet Union and Vietnam to

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withdraw their troops from Afghanistan and Kampuchea and so eliminate trouble spots that threaten world peace. They called on the countries involved in the Middle East crisis to seize the present opportunities of finding a solution. They called on the international community to resist protectionist tendencies and to choose the course of coöperation. The successful cooperation between two regional communities is after all a sign to all countries that they can and should make a contribution to political and economic stability and so to world peace by forming regional associations. The regional cooperation among the ASEAN countries is a model. It proves that national egoisms in the political and economic spheres are counterbalanced within a community. As this example shows, cooperation encourages the economic development of the member countries. It has the effect of safeguarding peace within the community and promoting it outside. The links between the European Community and ASEAN are also an example of cooperation between partners, of cooperation which is based on equal rights but ensures that each side retains its independence and respects national, cultural and religious identities. We of the European Community underline through this partnership our willingness to support Third World countries in their efforts to achieve independence and in their right to self-determination.

(Applause)

Sir Fred Warner (ED). — Mr President, I would like to thank and congratulate the President-in-Office of the Council on the very full statement which he has made to us about our relations with ASEAN. In fact he spoke for 11 minutes and 34 seconds and we all know that, as statements go in this Parliament, that represents a very weighty statement. It is only right that we should have such a weighty statement when we are talking about six or seven of the countries on the shores of the Pacific, for we have all come to realize that, just as the Mediterranean was the centre of the world 2 000 years ago, indeed even 1 000 years ago, and just as the Atlantic was the centre of the world 100 and 200 years ago, so today the Pacific has become the centre of the world.

The Pacific carries more trade than the Atlantic now and it is the centre of the fastest industrial development in California, Japan and elsewhere so we have to pay great attention to these matters. But when I look at the actual substance of what was said I feel that there is not a great deal of reality in it. We can speak of cooperation with ASEAN, but what are we actually doing? Our investment in the area is minimal compared with that of Japan or of the United States. Our influence in the area is not very great compared with that of those two countries and of more sinister countries. What are we really doing? What flesh are we putting on the bones of economic cooperation? It seems to me that we are far behind. Then when we look at the political aspects of this case, what are the

Foreign Ministers telling us? That they want to see Vietnamese troops withdrawn from Cambodia? Why only from Cambodia? Why not from Laos as well? Have we become illiterate in the politics of South-East Asia? Have we forgotten what Vietnamese policy is about? It is about-establishing the hegemony of Hanoi in the whole of former French Indo-China.

I would therefore beg the Foreign Ministers to take these things in greater depth and when they talk about cooperation to see what we are actually achieving as compared with other countries. And when they talk about politics, to remember the reality of life in South-East Asia, which is not a temporary or accidental occupation of Cambodia but an attempt to re-establish hegemony over the whole of Indo-China. And what are the Foreign Ministers going to do about that?

Mr Genscher, President-in-Office of the Council. — *(DE)* I would first ask the honourable Member not to underestimate such cooperation between two completely independent groups of countries. If we complain that international developments create problems for small and medium-sized countries in their efforts to remain independent from spheres of influence, it must be said that it is in the interests of these countries to maintain and increase their independence by forming regional associations.

On the other hand, cooperation between groups of countries is very likely to contribute to stability in the world. This is what is new about this cooperation, and it is what other parts of the world find interesting. When I consider the reception the conference in Bangkok received in the international press — and by the international press I mean the press outside rather than in the European Community, including the press in the Warsaw Pact countries — I must say that we have once again reached the point where less importance is attached to the European Community's activities at home than outside its frontiers.

It may not necessarily be a disadvantage, of course, for outsiders to recognize the importance of these activities, but occasionally we ourselves should also realize what is happening. I agree with you when you ask: what must be done to increase investments by the Community countries? That was an important point in our discussions. We are at present working on a report as a follow-up to the conference in Bangkok to see how we can increase Community investments. This will not only be in our interests but also clearly reflects the obvious interest of the ASEAN countries in seeing the countries of the European Community investing more alongside the United States of America and Japan. Our present share of the trade of the three most important trading partners in ASEAN is 11.3%, compared with Japan's share of 28.3% and the United States' 18.6%.

Genscher

As regards political cooperation, our friends in the ASEAN countries welcomed the fact that we are working from the same principles as they in the Kampuchean and Afghanistan questions and that we support the positions they have adopted. This consensus extends, of course, to other causes of concern we have in this area, Laos being an example. This time we considered the topical and urgent question of a political solution to the Kampuchean problem. I believe it will considerably increase our sphere of activities in the United Nations, for example, if we of the European Community, ten Western countries, can cooperate closely with the ASEAN countries, countries of the Third World, some of which belong to the non-aligned movement, in important aspects of international politics. I wish that some of those in Europe who even in public display a liking for protectionist day-dreaming could have heard the convincing pleas from our counterparts in the ASEAN countries for free world trade and against any form of protectionism.

(Applause)

Here again, then, we have agreement on matters relating to the system. Through cooperation with groups like ASEAN we must help to convince others that there are not only natural conflicts of interest between industrialized countries such as ours and Third World countries but also common goals which we can pursue together, because this is the only way in which every country can be assured of the right to self-determination, in which we shall come to arrangements at world economic level that comply with our ideas of a free economy and do not force the world economy into protectionism and economic controls.

(Applause)

President. — Thank you for the additional comments.

The debate is closed.

7. Energy (continuation)

President. — The next item is the continuation of the debate on the report (Doc. 1345/82) by Mr Purvis.¹

Mr K. Fuchs (PPE). — *(DE)* Mr President, the fact that so little speaking time has been set aside for a subject in which progress will be made highlights the way in which this House organizes its proceedings. I believe we should give this some thought.

Mr Purvis' report contains a number of good proposals relating to the flexibility and effectiveness of the

regulation. We shall not, however, be able to give it our approval if a new category is included. I do not think this has yet reached the stage where it is ready for approval. The arguments advanced by Commissioner Davignon in this respect yesterday were, I felt, convincing. Amendment No 10 is also questionable. The wording remains the same in German and French, but is changed in English. I am afraid that they will not correspond in the end. At any rate, the resolution must continue to state that national and Community assistance can, but need not, exist side by side.

We approve the amendment tabled by the Committee on Transport, although in our view it will overload the programme, but the proposals make a worthwhile contribution. However, we call on the Commission to propose a separate regulation on this, so as to ease the burden on the present regulation.

The energy policy objectives, the reduction of dependence on oil, the recycling of waste and the increased use of indigenous sources of energy are now to be joined by the possibility of improving environmental conditions with this programme. When the change is made from oil to coal, it must be ensured that the assisted projects make provision for appropriate waste gas treatment and desulphurization facilities. Half-measures will not be enough.

I urge the Council to adopt this regulation without delay. It will be killing two birds with one stone by so doing: it will be serving a good cause and polishing up its own image by taking a decision for a change.

Mr Seligman (ED). — Mr President, I am not sure that we believe that Mr Fuchs's contribution is entirely consistent with the group's policy in committee. I would like therefore to come to that point a little later on.

What I say is that the oil glut and the fall in oil prices is the best news for the unemployed since 1973. Energy saving and conservation has been one of the main causes of the fall in oil prices. Energy saving is the most rapid, cheap and job-creating method of reducing Europe's dependence on imported oil. Energy saving is regarded sometimes as the fifth fuel. Energy saving and the recession have caused oil imports into the EEC to fall from 600 million tonnes in 1979 to 366 million tonnes in 1982. It is an enormous reduction. Therefore, the common energy policy has succeeded in this area. However, energy saving is a permanent structural reaction to the oil problem and does not therefore depend on the recession. The recession also influences oil consumption, but that factor will, of course, disappear when the revival starts again.

The problem with the Commission proposal is that it only talks about rational use of energy and doesn't really talk about energy saving. This is where I disagree completely with Mr Fuchs. He says that the addi-

¹ See previous day's Debates.

Seligman

tion of energy saving as a fifth clause in Article 1 of the proposal is not desirable. On the other hand, he says that the addition of transport to the report is desirable. My group feels exactly the reverse, and we think that we are consistent with what was agreed in committee. Energy saving means reducing the demand for energy. Rational use means increasing the supply of energy, and the report is unbalanced if it talks only about increasing the supply of energy in the form of DHP, refuse recycling, heat from refuse and similar additional sources of energy. That is only one side of the picture. It is energy saving that is really the quick, cheap and important way of going about the problem.

That is why we have tabled our Amendment No 7 asking for an additional clause in Article 1 of the proposal. We call on the Commission to introduce a fifth category into Article 1 which will provide financial aid to domestic, industrial and public energy saving projects. That is our Amendment No 6. In this way we can achieve major savings by reducing further the demand for energy, making industry more competitive and making the whole Community less dependent on imported oil.

If we follow Mr Fuchs's recommendations, we shall only be going up a street which has already been well trodden. The whole question of reducing oil consumption in motor cars, speed limits and the rationalization of transport in Europe, has already been dealt with. If we load that onto the top of this rational energy proposal, it will only block it and slow it up. We should therefore stick cleanly to the rational use of energy and energy saving as listed in the amendments we have put forward.

President. — The debate is closed.

The vote will be taken at the next voting time.¹

8. *Votes*²

Purvis Report (Doc. 1-1345/82 'energy')

After the vote on the amendments to the proposal for a regulation.

Mr Purvis (ED), rapporteur. — At this point I should like to ask the Commission for its views on the amendments that have been voted. It has given its views in the debate on all of them except the two emanating from the Committee on Transport which have now been inserted into the proposal. I would appreciate the Commission's opinion on those.

¹ Topical and urgent debate (communication): See Minutes.

² See Annex I.

Mr Davignon, Vice-President of the Commission. — (FR) Mr President, as I explained in the debate yesterday, we have here a resolution which, for the moment, is tied to budgetary proposals drawn up within the framework of the 1983 budget. I mentioned that, in 1984, we would be willing to envisage a further category — that covers paragraph 5 that you voted — but that the Commission cannot, for the moment, take it over, as it is not possible, today, to include the question of transport in the problems of productive investment. The question of transport will be dealt with in another context.

Mr Purvis (ED), rapporteur. — Mr President, in view of the committee's position, which I think the Commissioner's statement would be in accordance with, I would be prepared to proceed to a vote on the resolution. There is the possibility that this may be criticized in that the House as a whole has voted for this extra transport category and the Commissioner has explicitly said that this cannot be accommodated. I therefore leave it to the Chairman of the Committee on Energy and Research: if she disputes my position and wishes to have the matter sent back to committee for a month on that point, so be it; I personally would interpret my rôle as that of allowing the motion for a resolution to proceed to the vote.

9. *Recycling of petrodollars — world monetary procedure*

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

- the report (Doc. 1-1197/82) by Mr Purvis, on behalf of the Committee on Economic and Monetary Affairs, on the recycling of petrodollars, and
- the Oral Question with debate (Doc. 1-1376/82) by Mr von Bismarck and others, to the Commission:

Subject: World Monetary Procedure

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?

President

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), rapporteur. — Mr President, some will say that the petrodollar problem is over. It is debatable whether or not petrodollars persist, but certainly the effects of the petrodollar crisis are still very much with us. Indeed, the repercussions are, if anything, more pressing than ever. Unemployment continues to grow in the industrialized countries. Indebtedness, in many countries, has reached dangerous proportions. The poorest countries continue to get poorer and the very stability of the international financial machinery is a cause for concern and merits our constant attention.

So I think — and I hope the House will agree — that the topic of this report is very pertinent to our present condition, to the continuing questions of international liquidity, renewing world economic growth, development of the less-developed countries, reducing dependence on non-renewable energy and the international financial structure. For this reason, I have proposed a more appropriate title for this subject. It stands as an amendment in the name of Mr Welsh to read: 'On world economic and monetary response in a situation of unstable energy markets'.

I am very pleased that the oral question with debate on the international financial situation is linked with this report. This broadens the debate beyond the peradventure into its full implications.

I wish that the Council of Ministers were able to respond to this report as well, as under the German presidency they are going to represent the Community at the OECD and Williamsburg conferences, and I would appreciate it if they would at least take into account what comes out of this debate when they attend these conferences.

I have therefore tried to avoid ideological solutions and to concentrate on practical ones which have some prospect of being implemented and thereby of ameliorating the situation for all of us, whether we are oil-surplus countries, industrialized, newly industrialized, or less developed countries.

I would first of all like to make certain points of diagnosis. Maldistribution of world liquidity has caused

economic problems in the past. The slump of the 1930s is often attributed to the sterilization of world liquidity by the United States as an overwhelming creditor nation in that sad era. Therefore one can see parallels with the maldistribution of world liquidity which resulted from the oil price-hikes, and the reflex actions towards protectionism and other measures that have ensued all over the world.

Secondly, the oil price-hikes are often blamed for all the subsequent problems. I am convinced in preparing this report that it was the uncontrolled inflation in the industrialized countries during the 1960's and particularly the Americans' deficit financing of that period, not unconnected with the Vietnam War, which forced abandonment of the USA's commitment to purchase and sell gold at a fixed price in 1971. This, in turn, resulted in OPEC being forced into protecting its interests and, therefore, I am constrained to be contrary to Mr Bonaccini's Amendment No 18, which puts this process in the reverse order to actual fact.

Thirdly, the commercially available mechanisms, the Eurocurrency market, responded manfully to the problem — perhaps too eagerly in retrospect, but the resources were quickly redeployed. After each price-hike, the petrodollars were recycled within about three years.

But the repercussions have caused the real damage: further inflation, balance of payments difficulties, higher interest rates, borrowing short and lending long, poor and deteriorating credit risks, a check on economic growth, all of which have squeezed the less-developed countries especially, battered from all sides by the higher energy costs, by their bigger debts, by the higher interest rates and by lower export earnings. Also the world banking system has reeled from these repercussions.

The industrialized countries have, therefore, managed to adjust, albeit at a lower economic rhythm. But it is the least-developed countries that have been reduced to a state of instability and penury bordering, potentially, on catastrophe. And the problems of the LDCs affect us directly, as markets for our goods and borrowers of our funds. So, my report concentrates on the solutions.

First of all, we must get our own economies on to a stable plain if we are going to have any hope of contributing to world economic revival. My assessment is that this process has now, to a large extent, been achieved — we have stability, but at a low-capacity utilization.

Secondly, the greatest contribution we in Europe can still make is to maximize the potential of the European Community as a powerhouse for economic growth. We must, therefore, complete the common market, coordinate our economic and monetary policies, pursue more determinedly the objective of European

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monetary union and the ECU as a world currency of comparable standing to the US dollar. This is a point particularly stressed to me by OPEC who worry about their dependence on the United States dollar and, therefore, political, economic and monetary dominance by the USA. They identify Europe as having a greater mutuality of concern with themselves.

Thirdly, with our own House in better order, we should develop our relations with the oil-producing countries. The committee decided against artificial arrangements on fixed oil prices, guaranteed or indexed bonds, or an oil-purchasing agency. They run in the face of market forces, and market forces will render them unworkable.

But we do see good reason, especially in the current situation where there is a mutuality of interest between the oil suppliers and ourselves, to set up some form of formalized relationship with the oil-supplying countries, and perhaps with them and the less-developed countries together. The objective would be to improve mutual understanding, cooperation in energy and development matters, and to develop a concerted approach to the problems of the less-developed countries and to mobilizing the world's financial and human resources for renewed economic growth. I would be naive, however, not to admit that this involves a political dimension in our relations with the oil-surplus countries.

Fourthly, among the proposals we consider should be taken up in this context, is the formation of an affiliate development bank, jointly owned by the European Investment Bank and an equivalent Arab organization to concentrate on energy-related investments and other development projects in the Community, in the Middle East and the developing world.

Fifthly, the IMF, the World Bank and the IDA have played an important part, and with the increased resources now becoming available, have still a vital role to play.

Resources of money, however, are not the be all and end all. Their role as monitors and project assessors is critical to mobilizing co-finance from other sources. But the committee feels that the EEC Member States have not exerted their real strength and have not taken a sufficiently concerted position in the management and policy making of these vital organizations.

A stronger European voice would be welcomed by the surplus countries and the developing countries. I think, and they think, that we have a different and more measured view of development policy and of the interdependence of industrialized and less-developed countries. In particular, the EC Member States should ensure in these bodies a better representation of the oil surplus countries and newly industrialized countries commensurate with their capacity to provide the needed finance and their role in the world's economy.

I shall not go into the lists of development priorities detailed in paragraphs 11, 12 and 13 of the motion for a resolution. Suffice it to say that we support the new realism which is showing in development policy in the case of less-developed countries, agriculture, administration and management, small-scale indigenous energy potential. We also stress that the LDCs must show willingness to do all they can to provide an attractive environment for investment in enterprise, both from inside and from outside. We now have many proposals as to how we might meet what is now accepted as a world crisis. This report tries to thin them down to what the Committee on Economic and Monetary Affairs considers practicable.

As Mr Bonaccini suggests, perhaps Williamsburg is the appropriate pretext. We have a world crisis on our hands. We need world solutions. The prime lesson must be of our interdependence. No one country, not even the USA or the EEC alone, can mount the rescue operation, but we can provide example and leadership. We must play our full part. We shall not be forgiven for dragging our feet or finding excuses to justify plain inaction.

IN THE CHAIR: LADY ELLES

Vice-President

President. — The debate is now adjourned and will be resumed at 9 a.m. tomorrow.

10. *Question Time*

President. — The next item is the first part of Question Time (Doc. 1-116/83).

We begin with questions to the Council and to the Foreign Ministers meeting in political cooperation.

Mr Alavanos (COM). — (GR) Madam President, I have a procedural question based on Rule 84 of the Rules of Procedure relating to inadmissibility, and Rule 44 (2) which says that questions shall be submitted in writing to the President, who shall decide whether they are admissible. The matter of inadmissibility that I am raising relates to Question No 22 by Mr Rumor, on the subject 'Information concerning an attempt to contravene democratic legality in Greece.'

I would like to say that this submission is not mine alone. It is known that there has been a public declaration by the chairman of the Socialist and the Com-

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munist Groups, Mr Glinne and Mr Fanti, who regard Mr Rumor's question as an attempt to interfere in the internal affairs of Greece, and relate it to activities stemming from suspect sources.

I would also like to mention that this question was met by the disapproval and public condemnation of the Greek government. I would therefore like to ask the Presidency why, when it was aware of the opposition of a large majority among the Greek Members of the European Parliament, the opposition of the chairmen of two Groups in Parliament, and the opposition of the Greek government, it still allowed Mr Rumor's question to be placed on the agenda? In support of what I am saying, I refer to a question that our Group submitted to the February part-session, which referred to the *Berufsverbot* in the Federal Republic of Germany. At that time I was told that it was inadmissible because it lay outside the jurisdiction of the Council.

Madam President, I would therefore like an answer from you on this matter, and I should also stress that, while being responsible for creating all this fuss, Mr Rumor has not had the courage to appear at this debate. So while all the mass media in Greece have shown great concern over his question, Mr Rumor has shunned the issue, and I fear that this must count against him.

President. — Mr Alavanos, I must point out to you that Rule 84, which you invoked, refers to a debate on a specific item. What Mr Rumor has done is to table an oral question without debate under Rule 43. According to Rule 43 (1):

Any Member may put questions to the Commission, to the Council or to the Foreign Ministers meeting in political cooperation and ask that they be placed on the agenda of Parliament and dealt with by the procedure provided for under this Rule.

Such questions shall be submitted in writing to the President, who shall place them before the enlarged Bureau at the next meeting held for the purpose of drawing up the draft agenda.

I can only assume that the enlarged Bureau did accept this question. If you have any query as to the decision of the enlarged Bureau, would you kindly write a protest to the President in the terms in which you have spoken and we will have the matter raised in the Bureau, but it will be under Rule 43 and not under Rule 84.

Question No 1, by Mr Moreland (H-684/82):

What steps is the Council taking to implement Community coal policy in the light of conclusions reached at its meeting of 16 December 1982 and of the mandate of 30 May?

Mr Genscher, President-in-Office of the Council. — (DE) On 14 February 1983 the Commission submitted to the Council a programme of work on solid fuels based on conclusions reached at the informal meeting of Ministers held in Copenhagen on 16 December 1982. This programme is at present being examined by the appropriate bodies in the Council. They will be reporting to the Council at the next meeting held to discuss energy questions.

The Council will continue to consider the proposals already before it as part of its programme of work. The Commission will shortly be submitting further proposals, which the Council will then discuss without delay. The Council is also considering a proposal from the Commission concerning questions raised by the Mandate of 30 May.

This proposal, which was received on 19 January 1983, concerns the adoption of a Council regulation on specific measures of interest to the Community in the area of the energy strategy.

Mr Moreland (ED). — Does not the President-in-Office agree with me that the situation as regards the coal industry in the Community at the moment is a serious one, with levels of stocks now reaching something like 40% of the annual output, and that, therefore, it is vitally important for the Council to take decisions on these matters as soon as possible? After all, the original Commission document that he is talking about dates not from February but from last year. We have had a lot of discussions on coal, but we are still waiting for some action.

Mr Genscher. — (DE) I must begin by repeating that the Commission submitted a programme of work on solid fuels on 14 February 1983. The Commission based its proposal on the informal meeting of Ministers of 16 December 1982. I appreciate the honourable Member's concern and join with him in stressing the need for urgent action.

Mr Boyes (S). — I would like to refer specifically to coking-coal. A coking-coal plant in my constituency at Fishburn is about to be closed, but I am aware that the German Government is using part of its EEC refund to help prop up the coking-coal industry while the Commission is proposing new aids both for the production and marketing of coking-coal not only to ensure that the coking-coal industry continues to exist, but also because they are concerned that imports from third countries are increasing. Would the President-in-Office agree that in view of the measures taken by the Federal Republic and recommendations made by the Commission it is irresponsible at this time for someone to be closing a coking-coal plant?

Mr Genscher. — (DE) I believe that we can fully approve the communication which the Commission

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forwarded to the Council in February 1982 on the role played by coal in the energy strategy and which also refers, for example, to the promotion of investments in the conversion of oil-fired boilers in public buildings and district heating facilities to coal or coke. We await with interest the European Parliament's opinion on the proposal on the granting of financial incentives to encourage certain investments in the rational use of energy. Otherwise, I share the honourable Member's regret.

Mr Seligman (ED). — I understand that the President-in-Office has not yet received the specific proposals from the Commission, but I hope he will insist that the short-term fall in oil prices will not be allowed to interrupt this coal policy because it is a long-term policy. I would like his assurance on that and also that he will give help to closing uneconomic coal mines, to opening new economic coal mines and to developing underground gasification of coal, notably under the North Sea, which are all coal policies which should be pursued.

Mr Genscher. — (DE) I cannot give the honourable Member any assurances with regard to his expectations in the latter respect because we have not yet formed an opinion on this. I can, however, assure him that the Council will certainly not allow its energy strategy to be permanently influenced by what may be only a temporary fall in oil prices.

Mr Rogalla (S). — (DE) I should like to ask the President-in-Office whether, in view of the serious conflicts of interest between the coal-producing and the coal-consuming Community countries, he shares my view that additional financial facilities, like those to be created with Part III of the new Community instrument, may help to speed up the investments which are needed and to which he has referred.

Mr Genscher. — (DE) It is impossible to say at this time whether the resources available will be sufficient.

Mr Griffiths (S). — Can Mr Genscher tell the House if he believes the Council will support some type of Community strategy that will positively help the coal industry by introducing measures that will encourage coal consumption, limit coal imports into the Community and link any closures of mines with the development of new mines in those coal fields? This Parliament has on two occasions positively supported such measures and we are now looking to the Council to make a serious attempt to develop the Community's coal industry.

Mr Genscher. — (DE) I could make things easy by saying that I have only been asked if I can give an

answer. The answer is 'yes'. But I should like also like to give an answer to the substance of the question and point out to the honourable Members that the Council of Energy Ministers will be considering the Commission's proposals and their place in the Community's overall energy policy concept at its meeting of 21 April. As you will appreciate, I cannot anticipate the outcome of these deliberations.

President. — As the authors are not present, Questions Nos 2 and 3 will be answered in writing.¹

Question No 4, by Mr Flanagan (H-730/82):

Has the Council held any discussions aimed at reviving the call for establishing the second stage of the European Monetary System, namely a European Monetary Fund which would have some of the functions of a Euro-bank?

Mr Genscher, President-in-Office of the Council. — (DE) The question of strengthening the European Monetary System is at present being considered by the appropriate Community bodies. The Council will be discussing this problem as soon as sufficient progress has been made with the preparatory work.

Mr Flanagan (DEP). — I do not really wish to ask any supplementary question but merely to urge the Council to press ahead, please.

Mr Genscher. — (DE) The Council agrees with the honourable Member that urgent action is needed.

Mr Rogalla (S). — (DE) I must say that I am rather shocked by the globality of the answer given by the President-in-Office of the Council, and I wish to ask him why he does not think it appropriate for this problem to be solved step by step, which might, for example, lead to the solution of individual aspects of the problem, including those which are obvious to the citizen, perhaps though the issue of an initially provisional European banknote in each currency, having a value of, say, a DM 20 note.

Mr Genscher. — (DE) The President-in-Office of the Council made his answer global to suit the question.

The question you have just raised is one of the problems being considered by the appropriate Community bodies. I cannot and do not intend to anticipate the opinion they form.

Mr Purvis (ED). — Mr President-in-Office of the Council, one of the major steps which the Commission

¹ See Annex of 13. 4. 1983.

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has been continually pressing, and this Parliament as well, is that the acceptability and free circulation of the ECU should be encouraged throughout Europe. What steps is the Council, and the German Government in particular, taking to remove all legal impediments to the free circulation of ECUs throughout the Community?

Mr Genscher. — (DE) I am not at this moment empowered to speak for the Federal Republic of Germany, but this question is also being considered by the appropriate Community bodies.

Mr Bonde (CDI). — (DA) I should like to ask the President-in-Office whether a Member State in his opinion can, on its own initiative, side step a regulation in the currency sector, if it has reservations similar to Denmark's Reservations on the question of sanctions against the Soviet Union. Or, put another way, can a regulation cease to be applicable if an individual Member State so decides?

Mr Genscher. — (DE) No, Sir.

Mr Delorozoy (L). — (FR) Does the Council think that the conditions in which parities were readjusted on 21 March were such as to compromise the second stage of the European Monetary System?

Mr Genscher. — (DE) They are not likely to put this at risk. But I believe we all have good reason — and reference has, of course, been made to this during today's debate — to recognize the connection with monetary developments, with general economic developments and the national economic and financial policies.

President. — Question No 5, by Mrs Ewing (H-732/82):

Will the President-in-Office comment on recent progress made in the Common Fisheries Policy negotiations?

Mr Genscher, President-in-Office of the Council. — (DE) I would refer the honourable Member to the statement I made during the European Parliament's sitting of 8 February 1983 on the agreement reached in the Council on 25 January 1983 regarding the common fisheries policy.

Mrs Ewing (DEP). — Does the Council think that this industry is frozen in February and that there are no stormy seas for the fishermen still to sail on? Is the President-in-Office not aware that since that date in March, the Danes have exceeded their quota of mack-

erel in the west of Scotland and that there have been instances of totally inadequate policing, and will he not even give us a crumb of assurance on restructuring, that not those countries which greatly reduced their fleet and catching-capacity in ten years but instead the countries which increased their catching-capacity will be the ones to suffer the cuts?

Mr Genscher. — (DE) All the regulations and resolutions that have been adopted were published in Official Journal L 24 of 27 January 1983. The Council has also adopted a regulation permitting the continued application of the additional total catch quantities and quotas approved for 1982 until the new TAC and quotas are fixed for 1983. This regulation was published in Official Journal L 25 of 27 January 1983. The administration of justice has not therefore come to a standstill.

Mr Harris (ED). — As the success or failure of the Common Fisheries Policy will turn on the effectiveness or otherwise of the enforcement measures agreed by the Council, is the Council satisfied with the level of staffing of the Commission inspectorate which will carry out this enforcement? And if the President-in-Office is satisfied with the staffing arrangements, is he aware that there is very widespread concern, particularly in the United Kingdom, about the very small number of inspectors who will have the job of policing the Common Fisheries Policy?

Mr Genscher. — (DE) If it turns out that the policing measures are inadequate, additional precautions will have to be taken. I am aware of the concern that has been expressed in this context in the United Kingdom.

Mr Maffre-Baugé (COM). — (FR) Is the Council willing to complete the common fisheries policy by adding a section on social matters, so as to level up social conditions as provided for in Article 117 of the Treaty?

Mr Genscher. — (DE) As far as I know, no such proposal has been made.

Mr Müller-Hermann (PPE). — (DE) Can the President-in-Office of the Council tell us something about the state of the negotiations with the Canadian Government on the authorization of catch quotas, and can it be assumed that the Canadian Government will not be very receptive to requests from the Community now that Canada has had its knuckles rapped hard by the Community over the export of seal skins?

Mr Genscher. — (DE) Canada has called for compensation for the fact that its sales of fish in the European

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Community in 1982 were lower than expected. This is at present being discussed by the Commission and Council. That is how things stand. Canada has not called for compensation for our adoption of a directive on seals, and the Canadian Government has made it quite clear to me that it considers the two matters to be unconnected. That is very reasonable and correct and should not be doubted by us.

I am sometimes shocked to find views taken in the European Community which it might at best be assumed would be taken by the Canadians. In discussions and negotiations of this kind we should not, as it were, be putting arguments into the mouth of our negotiating partner. Canada's appeal following its disappointment at its sales of fish in the European Community in 1982 is, then, at present being considered by the Commission and Council. The next Council meeting on fisheries questions is scheduled for early May.

Mr von der Vring (S). — (DE) The interpretation just given by the President-in-Office of the Council is a diplomatic one, but it is being shouted from the rooftops that the Canadian Government is pursuing a different objective. Is the President-in-Office personally convinced that the two issues are completely separate and that the Canadian Government is not linking them?

Mr Genscher. — (DE) I am guided by the statements of friendly governments and not by what it is supposedly being shouted from the rooftops. I am convinced that the two issues are separate and that they are not being linked by the Canadian Government.

Mr Battersby (ED). — The Parliament intends to continue participating, as it has done in the past, to the fullest possible extent in establishing and developing the new common fisheries policy. In consolidating our participation, we expect the full support of the Council. Can the President-in-Office assure us that we shall have at all times the Council's full support in achieving our aims?

Mr Genscher. — (DE) Yes, Sir.

President. — Question No 6, by Mr Normanton, has been postponed to the May part-session, at the author's request.

Question No 7, by Mr Schinzel (H-753/82):

In the debate on Question H-545/82¹ by Mr Schön, the President of the Council claimed that the introduction of a European passport would

facilitate border checks and reduce waiting times. Members from all groups questioned the seriousness of this view.

Can the Council explain in detail how the intolerable waiting times — especially at German border crossing-points — can be shortened by means of the European passport, without the passport merely being an aid to supra-national cooperation by surveillance agencies?

Mr Genscher, President-in-Office of the Council. — (DE) The idea expressed by the President-in-Office of the Council must be seen as part of the overall concept of the passport union, which the Commission advocates in its proposal for a resolution on facilitating the conditions under which checks are carried out on citizens of the Member States at the Community's internal frontiers. The Commission proposes that a systematic check should not be made where the traveller presents either a European passport or an indent card as evidence of his being a national of a Community Member State and that special passages for nationals of the member States should be introduced at sea and airports

Mr Schinzel (S). — (DE) Does the President-in-Office of the Council not think that the public reaction to the European passport will in fact be very negative unless crossing frontiers is made genuinely easier in practical terms?

Mr Genscher. — (DE) I completely agree with the honourable member. As the House knows, I have repeatedly advocated the abolition of this form of check, although I also see the urgent need for a reduction in the objections on security grounds, which cannot be simply ignored, through closer cooperation among the national police authorities in the European Community. The proposals which Mr Colombo and I have made in the European Act for the establishment of a uniform European legal system are also designed in the final analysis to ensure internal security without the system of frontier checks, which is hardly compatible with the idea of a Community, having to be maintained.

Mr Sherlock (ED). — Mr President-in-Office, I am sure that you have already noticed that this question in one form or another has appeared each time you have been present here. I can assure you that it has also occurred virtually every time your predecessors-in-office have been in this Chamber. It is a source of constant irritation. Can I ask you, therefore, in view of your last declaration of your personal conviction and interest, if you would direct your shafts henceforward at your colleagues in the Council? I have recently, for example, personally experienced cattle-like treatment both in Greece and at Marco Polo Airport in Venice.

¹ Verbatim report of proceedings, sitting of 11. 1. 1983.

Mr Genscher. — *(DE)* Having heard what the honourable Member has to say, I find the situation all the more regrettable.

Mr Rogalla (S). — *(DE)* I would be interested to hear how regularly the appropriate officials from the national administrations meet to discuss the achievement of the goal to which the President of the Council has referred and whether the appropriate Ministers and possibly the President of the Council bring influence to bear to ensure that the examples of the USA, the Nordic Union and Benelux are constantly held up to these officials as goals worth pursuing.

Mr Genscher. — *(DE)* The honourable Member has asked a number of questions, the first of which I am unable to answer and the last of which I can answer with an emphatic 'yes'.

President. — Question No 8 by Mr Rogalla (H-760/82):

What discretionary powers do border control officials possess in the Member States with regard to spot checks, etc. and what can the Council do to ensure that such powers are used to help speed the flow of goods and passenger traffic between the Member States?

Mr Genscher, President-in-Office of the Council. — *(DE)* Frontier checks are the responsibility of the Member States with regard not only to those areas in which the individual Member States retain authority but also those areas which are governed by the Treaties. Although these checks must be carried out in accordance with the Treaties, it is for the Member States to ensure that they are carried out effectively. In these circumstances, the Council can only hope that they are kept to a minimum and increasingly take the form of spot checks in order to speed the flow of traffic.

In this connection, the Council considered the Commission's proposal for a directive to facilitate the formalities and checks relating to the transport of goods between Member States at its meeting of 1 March 1983. The European Parliament has delivered its opinion on this proposal and has been consulted on the proposal for a Council resolution on facilitating checks on nationals of the Member States travelling within the Community. I would also refer to what I have already said in answer to another question during this Question Time.

Mr Rogalla (S). — *(DE)* Having heard this answer, I should like to ask the President-in-Office of the Council how often during his Presidency the Council has expressed the hope to which he has just referred

and whether, in view of the indecisive way in which this question has been treated and the fact that a Council which includes Mr Genscher as its President and, among others, Foreign Ministers who were once Members of this House, Mr Tindemans and Mr Colombo, for example, has not made more, and more practical, progress, there must be growing doubts about the Council's credibility.

Mr Genscher. — *(DE)* Credibility is always measured by the ability to get things done. What is actually achieved is another matter. I assume that the honourable Member has himself had his positive and negative experiences. I can also assure him that we shall be considering this question again at our next meeting.

Mr Bonde (CDI). — *(DA)* I should like to ask the President-in-Office whether a Danish importer today can quite legally import goods from the Soviet Union to Denmark, even if the goods are included in the boycott list of the EEC Regulation.

Mr Genscher. — *(DE)* I can only give a written answer to this question.

Mrs Weber (S). — *(DE)* As the Council evidently finds it easier to answer questions with 'yes' or 'no', I will try to phrase my question in such a way that the President-in-Office has only these two options. Does he agree with me that, unlike the goods referred to in the question, dangerous and poisonous waste, such as that removed from Seveso, can be transported from one Member State to another with great speed and evidently unhindered by frontier checks? Does he not think that it would be better and more appropriate for frontier officials to be instructed to prevent the transport of extremely dangerous waste materials, thus creating jobs of a high quality for them?

Mr Genscher. — *(DE)* Much as I should like to answer the honourable Member's question with a simple 'yes', and the way it has been phrased, I can do so. I must add that it is less a question of creating high-quality jobs than of our at last bringing the transfrontier transport of these poisonous substances under control. I believe that the European public can only regard as a scandal the events now taking place before their eyes, including the refusal by the undertakings concerned to provide the authorities with the extensive information they need. That is also my own opinion in this matter.

Mr Patterson (ED). — The President-in-Office referred to previous questions and answers on this topic. As he will be aware, over the years various questions to the Commission have revealed that Member States, including my own, apply checks at borders

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which the Commission considers to be illegal: for example, the filling in of forms for which no sanction exists, controls on the amount of money which people have, to name only two. Will the President-in-Office give us an assurance that in those instances where Member States apply controls either discreetly or overtly that he will make sure that his colleagues in the Council advise their governments to abolish these controls forthwith because they bring the Community into discredit?

Mr Genscher. — (DE) I cannot guarantee this. I can only guarantee that I will ask my colleagues to do so.

Mr Eisma (NI). — (NL) From answers provided by the Netherlands' government to questions in the Lower House of Parliament on 25 March last it would appear that the Benelux countries have recently introduced a visa requirement for citizens of Morocco, Tunisia and Senegal without prior consultation of the other Community Member States. Does the President-in-Office of the Council share the view that a Community visa policy is a prerequisite for the elimination of checks on individuals at the Community's internal frontiers, and what measures is the Council considering with a view to achieving this?

Mr Genscher. — (DE) The efforts to abolish frontier checks within the Community do indeed mean that we must coordinate policies on the issue of visas. This will be a difficult area, and I therefore believe we should for the moment concentrate all our efforts on at least abolishing checks on the inhabitants of the European Community.

President. — Question No 9, by Mr Hutton (H-784/82):

When will the Council reply to those of the proposals, contained in the resolutions on relations between the institutions adopted in July 1981, December 1981 and February 1982, which are neither covered by the letter of Mr de Keersmaecker of 8 April 1982 to the President, nor by the Genscher-Colombo Act, in view of the fact that the Commission has already replied to most of those proposals which concern its relations with Parliament?

Mr Genscher, President-in-Office of the Council. — (DE) When the European Parliament's enlarged Bureau and the Foreign Ministers of the Member States met on 24 January 1983, the chairman of the Political Affairs Committee, Mariano Rumor, proposed a procedure for the determination and consideration of the most important institutional questions. The Presidents of the European Parliament and the Council have consultations at which they discuss the

European Parliament's or the Council's approach following the meeting of 24 January.

I must now add that, as I pointed out earlier, when winding up the debate and replying to a speech by Mr Blumenfeld, a meeting concerning the Genscher-Colombo Act is to take place between the Council and a delegation from the European Parliament on 25 April so that the Council may again take note of the European Parliament's views on all the important aspects of the European Act before the Council meets at Schloss Gymnich to conclude its deliberations on this subject. I have also informed the President of Parliament today that in future other questions should be discussed by Parliament and the Committee of Permanent Representatives as Parliament has requested.

Mr Hutton (ED). — I think perhaps it would be fair to exempt the present President-in-Office of the Council from my feeling — though perhaps he would agree with me — that the Council has been guilty of appalling negligence in dealing with the Parliament and in replying to these proposals. I am astonished, however, that at the end of his response he should suggest that we should deal with civil servants, and not ministers. Would the President-in-Office not agree with me that this further compounds the Council's already cynical manoeuvring over its avoidance of dealing with Parliament straightforwardly on its proposals?

Mr Genscher. — (DE) I have reported on two different matters, namely the consideration of the Genscher-Colombo Act and the dialogue between the Council and Parliament. As I understood it, Parliament would welcome it if this took place in the presence of the Committee of Permanent Representatives. If the honourable Member does not agree with the opinion thus expressed by Parliament or the Bureau — I do not know which — I feel he should clarify the matter within Parliament.

Mr Bangemann (L). — (DE) My question relates to the last answer given by the President-in-Office of the Council. I wish to ask him if he finds it intolerable for the Council to do what Parliament wants.

Mr Genscher. — (DE) No, I consider that a particularly responsible attitude for the Council to take.

Mr Israël (DEP). — (FR) Mr President-in-Office of the Council, we have just had a debate on the Croux report in the European Parliament. During this debate, I said that this report was based on the November 1981 version of the European Act.

Can you tell me, Mr President, whether the text currently being studied by the Council bears any relation to the November 1981 text?

Mr Genscher. — (DE) Yes, Sir.

Mr Bonde (CDI). — (DA) I also have an institutional question for the President-in-Office: is there any difference in the general applicability of the regulations enacted in the currency sector and those enacted under the terms of Article 113 of the Treaty?

Mr Genscher. — (DE) No.

President. — At the request of the author, Question No 10 has been postponed until the May part-session.

As the author is not present, Question No 11 will be answered in writing.¹

Question No 12 by Mrs Van Hemeldonck (H-827/82)²

The Council decided³ to extend for two years the provisions of Directive 81/363/EEC⁴ on aid to the European shipbuilding industry, while the Commission had proposed a three year extension.

Why did the Council decide to extend the period of aid for two years only and not for three years as proposed by the Commission?

Mr Genscher, President-in-Office of the Council. — (DE) On 21 December 1982 the Council decided to extend the fourth directive on aid to the shipbuilding industry not, as the Commission had proposed, by three years but by only two, for the following reason: with a view to speeding up the achievement of the objectives set in the directive — the restoration of the competitiveness of the Community's shipbuilding industry and the cessation of aid to this industry — the Council and Commission also undertook to make the necessary preparations for drawing up a proposal for a sixth directive and adopting it as quickly as possible, perhaps even before this directive expires. A period of two years seems sufficient for this purpose.

Mr Van Hemeldonck (S). — (NL) Can the President-in-Office of the Council state when the sixth directive, in one form or another, can be revealed to Parliament?

Mr Genscher. — (DE) Certainly, but first the proposal has to be put forward. I would say, without delay.

Mr Paisley (NI). — In view of the fact that the Belfast shipyard yesterday had to lay off yet another 700

workers because of unfair competition from the Far East, unfair competition which affects all European shipyards, could the President-in-Office of the Council tell us what has happened in the Council to the scrap-and-build plan?

Mr Genscher. — (DE) I cannot answer this question at the moment.

Miss Quin (S). — My own part of England faces economic and social disaster if nothing is done to help shipbuilding through the present crisis and, in particular, through the short-term shortage of orders. On what date is the Council next going to consider the problems of shipbuilding, and what measures is it considering in order to tackle the problems of this industry urgently and effectively?

Mr Genscher. — (DE) I must unfortunately say that the concern the honourable Member expresses with regard to the part of England in which she lives also applies to other parts of the European Community. For this reason the Council has said that it wants the action needed for the drawing up of a proposal for a sixth directive taken as quickly as possible, perhaps even before the present directive expires. This shows that the Council regards this as an urgent matter.

Mr J. D. Taylor (ED). — To the President-in-Office I would like to say, as representing the largest shipbuilding firm in the United Kingdom, which is the Belfast shipyard of Harland and Wolff, that there are many Members in this House who welcome the decision of the Council to reduce the present fifth directive from a further three years to two years. Many of us believe that the fifth directive has outlived its usefulness. I welcome the reply by the President-in-Office that they are going to consider a sixth directive and I therefore would ask him if in consideration of that sixth directive the Council would be prepared to consider proposals for, firstly, a scrap-and-build scheme which would certainly assist the Greek fleet; and secondly, whether they would consider a provision for credit to be given by shipbuilders to shipowners?

Mr Genscher. — (DE) Without wishing to anticipate the outcome of these deliberations, I should like to say that any suggestion Parliament cares to make to the Council will, of course, be considered by the Council.

Mrs De March (COM). — (FR) Mr President, I live in a region — Provence-Côte d'Azur — where shipbuilding is of concern to the workers, the families and the communes. I myself represent a ship-building port. The Council has just decided to maintain the regulation in question for two years under the fifth directive on aid to ship-building.

¹ See Annex of 13. 4. 1983.

² Former oral question without debate (0-152/82) converted into a Question for Question Time.

³ OJ No L 371, 30. 12. 1982, p. 46.

⁴ OJ No L 137, 23. 5. 1981, p. 39.

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Mr President, I should like to ask you about this major concern of the citizens of our Community, then about problems of employment and unemployment, which have a direct influence on the life, the future and the security of our families and our young people. Don't you think, Mr President, that this aid should be established according to fresh criteria that reflect, for all the countries of the Community, essential choices such as the modernization of our shipyards, the maintenance of employment, vocational training and the relaunching of the economy — and not just reorganization via aid that often results in redundancies and an attack on the production apparatus?

Mr Genscher. — (DE) This will certainly be taken into account when the sixth directive is being prepared. I would, however, advise anyone against thinking that restructuring processes are feasible without closures and the consequent loss of jobs.

Mr Müller-Hermann (PPE). — (DE) We in Europe have grown accustomed to ascribing the undoubtedly tiresome competition of the Far Eastern countries solely to the fact that their shipyards are subsidized. Do the Council and Commission have any conclusive evidence that this is the case? Must we not unfortunately accept that there are in the Community a number of countries where not only overt aids but also covert subsidies are granted, and can anything be done to stop this?

Mr Genscher. — (DE) To answer the honourable Member's first question, I will willingly forward to him the evidence the Council and Commission has.

As regards his second point, there is absolutely no doubt that concealed subsidies of this kind are granted in the Community. The Commission is responsible for ensuring that the Treaties and the provisions they contain are observed.

Mr von der Vring (S). — (DE) Is the Council prepared to accept that the Community's shipbuilding industry is as urgent a matter as the steel policy and that the Community has a similar level of responsibility for this industry? Does the President-in-Office of the Council agree that, now that all the forecasts of the world market trend have proved incorrect, the situation in the European shipbuilding industry is an emergency, and does he not think that it is essential for the Community to take action this year and that we cannot wait for a new directive any longer?

Mr Genscher. — (DE) My answer to your first two questions is 'yes'. As for your third question, the deliberations on the sixth directive will show whether the measures it envisages are enough or whether experi-

ence gained with the fifth directive suggest that additional steps are required.

President. — As the author is not present, Question No 13 will be answered in writing¹

Question No 14 by Mr Lomas (H-795/82):

Mr Gaston Thorn, the President of the Commission, in his address to the European Parliament on 8 February said it was time to turn our back on the 'Luxembourg compromise' which gives a Member State the right to veto a proposal if it is against that country's vital interests.

Does the Council of Ministers agree with the President of the Commission?

Mr Genscher, President-in-Office of the Council. — (DE) In the answer it gave to Question No H-411/82 in November 1982 the Council pointed out that it cannot comment on statements which are not made within the framework of the Council.

If I were now outside Parliament and not President of the Council, my answer would be that I fully agree with Gaston Thorn.

(Laughter)

Mr Lomas (S). — I am very sorry to hear that, Mr President-in-Office, although not surprised. This arose, as you know, when the Luxembourg compromise was called into question when the UK's proposed veto on farm prices last year was refused. Would the President-in-Office of the Council not agree that it really must be up to the country which is affected to decide whether it is a vital interest or not, and not the rest of the EEC countries who may not be so affected. Whilst a huge increase in food prices might not be thought a vital matter by the Council, I can assure him it is by the unemployed pensioners and people on low incomes in my country?

Mr Genscher. — (DE) It is my view that in the example mentioned by the honourable Member, the fixing of farm prices, the procedure adopted complied fully with the existing Treaties. I would add that the question I have answered reads as follows: 'Mr Gaston Thorn, the President of the Commission, in his address to the European Parliament on 8 February said it was time to turn our back on the 'Luxembourg compromise', which gives a Member State the right to veto a proposal if it is against that country's vital interests. Does the Council of Ministers agree with the President of the Commission?'

¹ See Annex of 13. 4. 1983.

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I said that as President of the Council I cannot answer this question, but if I were outside this House, I would say that I agree with Gaston Thorn. I should not like to see the dynamism of the process of European unification and the decision-making strength of the institutions stifled in a labyrinth and accumulation of genuine and supposed interests which in the end have the same effect as a right of veto.

Mr Israël (DEP). — (FR) Mr President-in-Office of the Council, the Genscher-Colombo plan — the November 1981 version — provides for the Luxembourg compromise to be amended. Mr President, can you tell us whether the text of the Genscher-Colombo report currently being studied provides for the abolition of the Luxembourg compromise? And more generally, Mr President, I should like to know whether you recognize your own brainchild in the text of the Genscher-Colombo plan currently been discussed in the Council?

Mr Genscher. — (DE) The child to which the honourable Member refers is growing in beauty and size every day.

Mr Alavanos (COM). — (GR) I should like to ask the President-in-Office of the Council something concerning the problem of the Luxembourg compromise in relation to Greece. As we know, discussions have commenced with the present Greek government, taking as their starting point the submission of the memorandum concerning the conditions for Greece to remain within the European Community.

The Greek people would like to know what sort of thing this European Community is, and how it functions? I would therefore like to ask Mr Genscher, as President of the Council: Will he give us an assurance, and through us, to all the people in our country, that the Luxembourg compromise and the ability of any country to apply the veto in the event that its vital interests are at risk, are still in force and will remain so for a long time within the Community?

Mr Genscher. — (DE) I have neither the power nor the desire to say something here before the European Parliament which does not comply with the European Treaties.

(Applause)

Mr Antoniozzi (PPE). — (IT) In my opinion the President-in-Office of the Council is clearly also the guardian of our rights and duties.

However, I should like to ask what the legal basis of the Luxembourg 'compromise' is. Can a compromise

change the provisions of the Treaties formerly approved by the Governments and Parliaments?

Mr Genscher. — (DE) What the honourable Member calls a compromise was in fact the Luxembourg 'disagreement'. The word 'compromise' presupposes an agreement, which did not at that time exist. It is the Luxembourg Consensus, and it has no legal basis.

Mr Caborn (S). — Could I ask the President-in-Office for confirmation of the answer given to Mr Lomas in which he interpreted Gaston Thorn's answer to this Parliament to the effect that the nine Member States or a majority of the nine Member States actually determine what is of vital interest for the tenth. Is that a correct interpretation of what the President-in-Office has said?

Mr Genscher. — (DE) The question was: 'Mr Gaston Thorn, the President of the Commission, in his address to the European Parliament on 8 February said it was time to turn our back on the 'Luxembourg compromise', which gives a Member State the right to veto a proposal if it is against that country's vital interests.' I said that, if I were not speaking here as President of the Council, I would agree with Gaston Thorn.

This has absolutely nothing to do with the question of who decides what is a vital interest and what is not: Gaston Thorn opposed the granting of a right of veto. If increasing use was made of the right of veto in the decision-making processes, it could indeed prevent the Council from taking any decisions and put a permanent end to the dynamism of the process of European unification.

Mr Rogers (S). — ... I want to ask a supplementary question.

President. — We have already had one speaker from the English-speaking members of the Socialist Group and we have been trying to follow this rule in order to get on with the questions and have as many questions answered as possible.

I am sorry to have to refuse your request as Mr Caborn from your group has just put a question. That is the procedure we have been trying to follow. It is not a rule, I accept that. But it was an agreement we came to in the House in order to get as many questions answered as possible by the Council and by the Commission.

Mr Rogers (S). — I accept your ruling, Madam President. I only wish that the President-in-Office would answer the questions.

President. — That is another matter, Mr Rogers.

We turn now to the questions to the Foreign Ministers.

Question No 31 by Mrs Ewing (H-296/82):

In view of the fact over 1 000 Community-based companies operate in South Africa and that the South African Government shows no signs of abandoning the abhorrent policy of apartheid, will the Foreign Ministers now recommend to national governments and to such companies a reduction in the Community's economic presence in South Africa by withdrawing investments and seeking alternative trade markets?

Mr Genscher, President-in-Office of the Foreign Ministers. — (DE) The ten Community Member States have constantly reiterated their intention of continuing their efforts to persuade the Republic of South Africa to abolish the apartheid system and to establish a social order based on peace and freedom for all. With this objective in mind they are continuing to search for ways of applying the full weight of the Community behind this goal. Both in the United Nations and other forums individual Community Member States have called insistently for economic sanctions, both general and specific, against the Republic of South Africa.

On the matter of discrimination against black workers in South Africa, I would draw the Honourable Member's attention to the Code of Conduct applicable to Community firms with subsidiaries, branches or representatives in that country, adopted by the Council of Foreign Ministers on 20 September 1977. The adherence of these firms to the Code's guidelines has been encouraging.

Mrs Ewing (DEP). — May I thank the President-in-Office for his answer and ask in view of my question and of the imminent departure to six African States of the Front-Line States Mission with the blessing of this House, along with that of the ACP, would it not be a good time for the President-in-Office to make a practical suggestion namely, that the recommend to the Member States a reduction in the Community's economic presence in view of the fact that the Africans cannot take us too seriously when the planes are packed with businessmen leaving from every single main airport in the Community at all times.

Mr Genscher. — (DE) One must consider both aspects of the political impact of specific measures and constantly strive to identify the opportunities and methods which best lend themselves to the attainment of the political goals I have just outlined. In this respect breaking-off of Community relations including, in particular, the economic ties, with the Republic of

South Africa would most certainly reduce the Community's ability to influence that country politically.

Moreover, I would point out that breaking off economic relations between the Community and the Republic of South Africa is also regarded as a means of influencing the economic situation in that country. I have no doubt that, as is always the case when economic difficulties arise, the very poorest are the first to be affected i.e. those who are discriminated against by the policy of apartheid. I cannot believe that the Community's policy should be to further aggravate the situation of the black citizens of South Africa through a Community economic boycott.

Mr Boyes (S). — Could I welcome Mr Genscher's statement of his abhorrence of the apartheid system, although he could have condemned it a little more strongly in my opinion, and also pay tribute to Mrs Ewing who continually puts questions on the problems of apartheid in South Africa on the order paper.

My specific question is, are you personally aware of the decision of the Government of Sweden in 1979 to ban further investment in South Africa, and further not to allow those already investing there to increase the amount of investments? Would you agree that it would be in the interests of the people that we are most concerned about in South Africa if the Community adopted a similar policy and would the President consider meeting with the ministers in Sweden to consider the effectiveness of that policy?

Mr Genscher. — (DE) To begin with I would remind the Honourable Member that by the ACP-EEC Association Agreement, the Community has made a substantial contribution to the development of the black African states and is recognized and highly esteemed by them.

As to the Swedish measures concerning the Republic of South Africa I can only reiterate my conviction that if every country followed Sweden's example, the first to be seriously affected by these economic measures would be those sections of the population which are discriminated against by the apartheid system. Furthermore it must not be forgotten that a large number of black African states have economic ties with the Republic of South Africa.

Mr Müller-Hermann (PPE). — (DE) Mr President-in-Office of the Council, I assume that we all, both in this House and the Council, condemn the policy of apartheid practised by the Republic of South Africa. To a certain extent, however, we in Europe sometimes form an opinion without knowing the real conditions prevailing in certain countries. This applies to many questions on South Africa and to the question of esteemed fellow Member, Mrs Ewing.

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Can you therefore confirm that Community firms which have invested and set up factories in South Africa have in no way whatever practised the policy of apartheid but rather pursue a policy of full equality and equal job opportunity for blacks, whites, coloureds and Indian people. Furthermore, can you confirm that this Community investment in South Africa is a key factor in the familiarization of the black population with technology, affords them better living conditions and better housing and educational opportunities and that these developments will build up pressure for political change, which the South African Government will have to confront sooner or later?

Mr Genscher. — (DE) You will no doubt remember that I was one of the foreign ministers who elaborated the Community Code of Conduct for firms with subsidiaries, branches and representatives in South Africa some years ago. Our aim was to get a clear idea of working conditions in such enterprises and at the same time, through the mandatory company report, to create more egalitarian and non-racial working conditions.

The result of the report is very encouraging. Furthermore we feel that the industrial development of this country helps to draw an increasing number of those affected by apartheid into the work process, and indeed into qualified positions, and that the activity of Community enterprises pursuing an equal rights policy contributes to a substantial degree of equal rights in the workplace in a country in which apartheid is still practised.

That is also the reason for the favourable assessment of these efforts by international trade union delegations in South Africa. I fully subscribe to your opening remarks and I would reiterate for the benefit of the Member from the left of the House who put a question to me that we condemn, in the strongest possible terms, the policy of apartheid together with everything it implies. At the same time we condemn other human and civil rights violations in other parts of the world. I believe the Community has wisely resisted the temptation to use economic cooperation as a lever in its foreign policy.

I would remind you that deliberations are currently taking place on economic relations in the context of the East-West negotiations in which considerations analogous to those voiced here can also play a role for different, but no less crucial, reasons so that a non-discriminatory Community policy applicable to all parts of the world will also promote the credibility of our external trade policy. I feel we have reached responsible and balanced decisions and that we have not succumbed to the greatest danger confronting every politician, namely myopia.

President. — Question No 32 by Mr Albers (H-770/82)

Does the President-in-Office of the Council of Foreign Ministers feel that the Ten's disapproval of Israel's settlement policy in the occupied territories will cause the Israeli Government to change this policy and, if not, what measures does the Council intend to take in its relations with Israel in order to give more forcible expression to its disapproval?

Mr Genscher, President-in-Office of the Foreign Ministers. — (DE) The Ten have consistently criticized Israel's settlement policy in the occupied territories as a serious obstacle to peace in the region and contrary to international law. It is confident that the Israeli Government can be persuaded not to allow its settlement policy to thwart any overall solution for the region. The fact that our concern is shared by the US Administration lends additional weight to our arguments.

Mr Albers (S). — (NL) Against the background of last Sunday's tragic events, when Dr. Issam Sartawi, a courageous advocate of a peaceful and just solution for the Middle East, was assassinated in Portugal, and the breakdown of the discussions between King Hussein and the PLO leader, Yasser Arafat, a report from Jerusalem on the Israeli government's intention of establishing 57 new settlements on the West Bank has caught our attention. Is it not high time for the Council of Ministers to make a strong protest against this policy of colonization and annexation of Arab-Palestinian territory backed up by the reminder that such a settlement policy will affect the EEC-Israel Association Agreement?

Mr Genscher. — (DE) I would refer to the conclusions of the European Council of 21/22 March 1983 which deal with Israel's settlement policy in unequivocal terms. It condemns that policy as contrary to international law and as representing a significant and increasing obstacle to peace initiatives. The longer the settlement policy is pursued and the more extensive it becomes the question indeed arises as to what purpose negotiations would have.

Mr Van Minnen (S). — (NL) Yes, and then the Community will do nothing while Israel does what it likes. Mr Minister, our Community is constantly talking about the need to be consistent whenever international law is flouted in some part of the globe. Indeed the House condemns such practices as a matter of course wherever they arise. Why then should Israel be singled out for special treatment when it flouts international law?

Mr Genscher. — (DE) I feel that the Community's efforts heretofore, in particular in supporting the Reagan Initiative and the Fez Plan are the best way of

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bringing about a durable and overall Middle East solution; this would also entail an end to Israel's settlement policy. Should the Honourable Member feel that new opportunities have arisen or should he have fresh ideas on this subject the Council would be happy to consider them.

Mr Alavanos (COM). — (GR) Although, if I have understood them correctly, the President-in-Office's answers indicate that the Council is not prepared to take meaningful measures against the Government of Israel in respect of its colonization policy, they did seem to indicate that he would not adopt a more favourable attitude towards that country. In this context I should like to ask the President-in-Office how the Council regards the motion for a resolution on this topic adopted by the Political Affairs Committee of the European Parliament, which is to be presented to the House and which calls on our country, Greece, to establish diplomatic relations with Israel. In addition to being an interference in the internal affairs of our country it is tantamount to rewarding Israel, in view of the fact that when our country joined the Community under the right-wing New Democracy it did not even then have full diplomatic relations with Israel.

For that reason I should like to know the President-in-Office's views on the position adopted by the Political Affairs Committee of Parliament.

Mr Genscher. — (DE) Greece has indeed acceded to the Community as a full Member with all the rights and duties associated with that membership and therefore, in the framework of political cooperation participates in Community policy, and indeed Community external policy. You could have made it easier for me to answer your first question by defining what you meant by 'measures'.

Mr Seligman (ED). — I speak on this subject with some humility, but could the President-in-Office say whether, on the withdrawal of King Hussein from this mediation process, the Community, which has fairly good relations with both sides, would be prepared to step in in place of King Hussein and offer their services in that mediation?

Mr Genscher. — (DE) I believe the task King Hussein set himself was that of guarantor of the rights of the Palestinian people rather than that of mediator. Agreement on this point with the PLO was not achieved. It is scarcely imaginable that the PLO would make the Community rather than King Hussein its mediator. I would consider this wishful thinking but I am nevertheless very grateful to Mr Seligman for having modified the dates originally set for his visit to Amman in order to discuss at first hand any new opportunities which may arise as a result of the Jordanian King's efforts which have our blessing.

Mr Blumenfeld (PPE). — (DE) Mr President-in-Office of the Council, further to Mr Seligman's question could not the Community, i.e. the Foreign Ministers devote the utmost priority henceforth to getting Israel and Jordan around the conference table just as negotiations have been proceeding for some time now between Israel and Lebanon on the matter of troop disengagement, if I may refer to it as such? Furthermore — and this is my second question — would not such negotiations bring the Israeli Government's settlement policy into a new, legal and contractual context?

Mr Genscher, President of the Council of Foreign Ministers. — (DE) For one thing, I do not believe we can draw a parallel between the tasks and issues for discussion between Israel and Lebanon, on the one hand, and those between Israel and Jordan, on the other. The right to self-determination of the Palestinian people cannot be excluded from the latter. The Israeli Government's settlement policy is being pursued in clear violation of its commitments under the Cap David Agreement and of its peace treaty with Egypt. Additional agreements will therefore serve little purpose even assuming that they were possible. I believe that what the Community stated in its Venice Declaration is correct namely that the participation of the Palestinian people is a vital constituent of any durable, overall and just Middle East peace.

President. — As the author is not present Question No 33 will be answered in writing.¹

Question No 34, by Sir Fred Warner (H-793/82):

To ask the Foreign Ministers acting in political cooperation what discussion took place during their meeting with the Foreign Ministers of the ASEAN countries about a settlement for Cambodia and Laos?

Mr Genscher, President-in-Office of the Foreign Ministers. — (DE) As indicated in the joint declaration at the end of this fourth meeting of EEC-ASEAN Foreign Ministers in Bangkok on 24 and 25 March this year, agreement was reached on the call for respect of the United Nations Charter and the U.N. resolutions calling for the respect of sovereign equality and self-determination of peoples and non-intervention in internal affairs. It was noted with regret that such principles are being violated in many parts of the world and that violence is being resorted to.

We strengthened our common stance on Vietnam in Bangkok. Vietnam must withdraw its forces from Cambodia. The self-determination of the Cambodian people must be restored in the framework of a just and

¹ See Annex of 13. 4. 1983.

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durable political solution on the basis of the UN resolution on the Cambodian question.

This appeal takes on a special significance in the light of the new offensive launched by the Vietnamese army along the Thai-Cambodian border. Bangkok joint declaration refers to the violation of basic humanitarian principles and the UN charter through attacks launched by Vietnamese armoured units and artillery on the Nokang refugee camp. The same applies to the most recent Vietnamese attacks in Thai-Cambodian border areas.

Sir Fred Warner (ED). — My question to the President-in-Office referred also to Laos and he has said nothing whatsoever about Laos. Could he please answer my question on that country?

Mr Genscher. — (DE) In these discussions we concentrated on the actual situation, the developments and available options in Cambodia.

President. — Foreign Minister, does that mean that you are not in a position then to answer on Laos?

Mr Genscher. — Yes.

Mr Prag (ED). — Is the President-in-Office in a position to give us a categorical assurance that in view not only of the long standing Vietnamese aggression in Laos and Cambodia, but also in view of the latest attack on Thai territory, the Foreign Ministers will not countenance any aid, food aid, emergency aid or any other kind of aid to Vietnam when the Vietnamese Government could very well pay for any such aid itself by ceasing its aggression in Laos and Cambodia?

Mr Genscher. — (DE) I cannot now say whether such a matter lies within the Council's terms of reference but without doubt there are good grounds for looking into the matter.

President. — Question No 35, by Mr Kyrkos (H-797/82).

On the critical question of Euro-missiles, public opinion in the Community countries has come out clearly in favour of a solution which would lead to mutual, balanced pull-back and destruction of medium-range missiles and a radical agreement which would make it impossible to turn Europe into a theatre for nuclear confrontation.

What is the view of the Foreign Ministers meeting in political cooperation of the specific idea of disengagement from Reagan's zero option and looking for a compromise solution embracing

both the British and the French nuclear weapons, and of the proposal that the Community countries too should adopt the principles of not using nuclear weapons first?

Mr Genscher, President-of-Office of the Foreign Ministers. — (DE) As you are no doubt aware, military aspects of security policy lie outside the scope of discussions within the framework of European political cooperation and as such I am precluded from replying to your question. Disarmament and international security are, nonetheless, subjects which are under constant discussion by the Foreign Ministers of the Ten.

The Ten attach the utmost importance to all efforts aimed at achieving substantial, balanced, verifiable arms control and disarmament. With regard to the intermediate range nuclear missile negotiations (INF) in Geneva we hope to make progress towards the total dismantlement of Soviet and American land-based intermediate-range nuclear missiles. I would point out that these American missiles have not yet been deployed whereas Western Europe is already under the threat of Soviet medium-range land-based missiles which are already in place.

A successful outcome to the INF talks between the two sides would represent a crucial breakthrough in the field of nuclear disarmament thereby fulfilling the expectations of the international community. I believe the so-called 'zero option', that is, the total dismantlement of U.S. and Soviet land-based intermediate-range nuclear missiles, would be a boon to the peoples of Europe, both East and West. I have not yet heard any responsible, reasonable argument in favour of Western non-deployment and Eastern status quo, in which as stated earlier, the latter would still be in a position to threaten us. I personally would be reluctant to have such a permanent Soviet land-based intermediate-range threat hanging over me.

Mr Kyrkos (COM). — (GR) Parliament has agreed that the political aspects of defence problems may be discussed. Therefore the question before us is not merely a military one but also includes political issues.

I would ask the President-in-Office, Mr Genscher, for a more concrete answer. I feel that there were some positive elements in his reply, nonetheless I have two questions. As regards the first question, I should like to say that we are not dealing with a merely abstract zero option but with the concrete zero option proposed by President Reagan which, I think it is generally agreed, does not provide a total solution.

My second question is whether the Community would be prepared to state, as the Soviets have stated, that it would never have recourse to a preemptive nuclear strike.

Mr Genscher. — (DE) It is well known that nine of the ten Community Member States, who are also members of NATO, have approved President Reagan's proposal that both the United States and the Soviet Union should renounce land-based, intermediate-range nuclear missiles. I can report this from what I know as President-in-Office of the Council from which it should not be inferred that we dealt with the matter which lies, as you know, outside our competence.

As to the principle of 'no first use' of nuclear weapons, my information is that at the NATO summit in Bonn in 1982 nine of the ten Community Member States approved the joint statement that the NATO weapons would only be used in the event of an attack on NATO. That in my opinion is the best guarantee, for we are in no doubt whatsoever that the first use, not only of nuclear weapons, but of any weapons, must be avoided at all costs. The consequences of even a conventional war in central Europe are terrible enough and could very easily escalate into nuclear war.

Mr Alavanos (COM). — (GR) To begin with I should like to query what Mr Genscher said concerning a common position of the nine Member States who are also members of NATO and to remind him of the decision taken by the competent body of NATO a few weeks ago which was not accepted by the Greek Government but in fact openly expressed reservations and ...

(The President urged the speaker to put his question)

I should like to ask a question on the matter raised by Mr Kyrkos' question concerning British and French nuclear weapons. I put the question to Mr Genscher, not as President-in-Office of the Foreign Ministers meeting in political cooperation, but simply as a private individual since earlier on he answered on his own behalf a question concerning the Luxembourg compromise.

I should like to ask him whether he believes that French and British nuclear weapons could be directed against the United States, the Federal Republic of Germany or any NATO member country in order to allay the fears of the Soviet Union that these weapons belong to a hostile bloc.

Mr Genscher. — (DE) This appears to be one of the rare occasions when we share the same view.

(Laughter)

President. — The first part of Question Time is closed^{1, 2}

(The sitting was closed at 7.35 p.m.)

¹ See Annex of 13. 4. 1983.

² Agenda for the next sitting: see Minutes.

ANNEX I

Votes

The Annex indicates rapporteurs' opinions on amendments and reproduces the texts of explanations of votes. For further details of voting, the reader is referred to the Minutes.

CROUX REPORT (Doc. 1-1328/82 'Draft European Act'): ADOPTED

The rapporteur was:

- IN FAVOUR of Amendments Nos 1 and 10;
- AGAINST Amendments Nos 2, 3, 4, 5, 6, 7, 8, 9, 11, 12, 13 and 14.

Explanations of vote

Mr Fergusson (ED). — I wish to exercise the privilege of giving an explanation of vote not to make the usual extra political speech, but to explain precisely why I am suggesting to my group that they should abstain on this report, even though Parliament has been good enough to accept several of our amendments. Our good will, of course, is thoroughly behind the report. For that reason, we simply do not wish to vote against it. But we still have grave doubts about the clauses concerning vital national interest.

How do we resolve those doubts far enough not to attempt to block this report? Well we have listened carefully to Mr Croux and his assurance that at the end of the day, if conciliation does not remove the inability to reach a decision in the Council, a Member State, in practice, cannot be forced into a measure which it regards as totally self-destructive.

Logic too tells us that if a genuinely vital interest is involved, and is infringed, then any Member State, by definition, would take steps to protect itself and might not necessarily be deterred from the ultimate step of defying the Treaty. But, for the present, we do not think it is opportune to subscribe without reserve to what is being proposed, our own constructive amendments on the matter of vital interests having failed. We wish the report well, but we cannot support it.

Mrs Spaak (NI). — (FR) I shall not be voting against the Croux report, the general ideas of which make good sense. I shall be abstaining, for two reasons.

All the reports adopted by the European Parliament over the past few months have been aimed at boosting the powers of Parliament, increasing the efficiency of the Commission and improving relations between the three institutions. I think everything was said at that stage and, if I can put it like this, the ball was in the Council's court.

My second reason for abstaining was given to me by Mr Colombo this morning. He clearly asked the House to be more resolute in playing its part as a spur and a stimulus for a better integrated European construction. The Croux report, in my opinion, does not reflect this.

Mr Cousté (DEP). — (FR) This morning we heard the spokesmen for our group, Mr de la Malène and Gérard Israël, and we have just voted on the amendments.

We shall be abstaining. In spite of the fact that the Genscher-Colombo proposals are a step in the right direction, we cannot forget the monetary situation in Europe. And if we mention the monetary readjustments of 21 March, it is to remind Members, very strongly

and very solemnly, of our attachment to the European Monetary System. We are concerned about the rapid succession of monetary readjustments which do not, alas, seem under control any longer and which rob the European Monetary System of a large part of its value. Above all, we regret the appearance of new compensatory amounts which are already a considerable impediment to agricultural trade in Europe and hamper the current negotiations on farm prices.

So we should very much like to see the Commission, on the occasion of this readjustment, undertake an urgent scheme to bring about genuine economic coherence in Europe, working towards economic union, as well as towards political independence.

We should also like to see the European Monetary System really involve the Ten, that is to say we should like to see Greece and the United Kingdom join in totally and fully, for, as far as we are concerned, the EMS is a fundamental element in building Europe and its economic integration — as is the common agricultural policy. This is why we are calling on the Council, bearing in mind the Genscher-Colombo proposals, to speed up its work with a view to rapid action on the economic strengthening of Europe and its political independence.

Mr Israël (DEP). — (FR) I, naturally, am going to abstain and I should like to tell you why. Mr Croux has done a very good job — but he worked on a document that dates back to November 1981 and is therefore completely outmoded!

I should like to tell the representative of the Council that it would have been honest to stand up and say: 'Gentlemen, you are working on a text that is out of date.' If my information is correct, the text currently being studied by the Council contains nothing on the common foreign policy or the increase in the powers of the European Parliament or a number of other things which made us take up the Croux report with interest.

Today, our Parliament is in a paradoxical situation. We have studied a text that is quite out of date and, if I may, I shall ask the Council to confirm my analysis of the situation.

Mr Petersen (S). — (DA) Mrs Gredal has set forth the general grounds for the rejection by the Danish social democrats of the Genscher-Colombo Plan and the Croux report. I will therefore merely add a point concerning the realities. The realities are that there is not only one model — there are at least two models for the future development of the Community. Mr Genscher and the majority in this Chamber take the liberty of establishing what is to me an unacceptable monopoly for their own model, that of the federal union. They thus speak freely — one might perhaps even say, with arrogance — of *the* European idea, after the manner of Mr Brok and Miss Brookes when they criticized my colleague, Mrs Gredal, for our point of view. There is however also a confederal model, in which we seek the continuation of inter-State cooperation as the motive force in Community cooperation. It is the Hanseatic League and not the Holy Roman Empire which is the prototype of the confederal model. A confederal model is thus just as European as a federal model. Let us therefore be spared any more untimely monopolization, such as we have in the Genscher-Colombo Plan and in the Croux report. I will accordingly vote against the motion.

Mr Pesmazoglou (NI). — (GR) The resolution put by Mr Croux is a step in the right direction, but it is outdated and inadmissibly weak. It should have been much more fully integrated and categorical. In spite of this, and precisely because it aims in the right direction, I shall vote in favour of it though I would like to put on record one basic objection that I have to the text by Mr Croux, namely that it is unthinkable for European political cooperation to exist in combination with the concept of a two-speed Europe. That is unthinkable, and militates against any common foreign or defence policy.

Mr Kyrkos (COM). — (GR) *In writing*, in connection with both the Genscher-Colombo proposals and the Croux report, the question of the need to change the Community arises.

The Interior Communist Party of Greece has long realized this need. The Community has not yet been able to offer solutions to the current problems, it has not produced convincing replies to the various aspects of the economic crisis, to unemployment, underemployment, inflation, and to the chasm between the North and the South.

On the international scene, in spite of some steps taken, the Community has failed to manifest any autonomous and independent personality of its own. The absence of the European Community from the negotiations between the USA and the USSR, its unilateral position in relation to the siting of nuclear weapons of destruction on European soil, are perhaps the most obvious examples of the Community's inability to intervene, so that matters of such vital importance and such eminent relevance to Europe go by default of the people of Europe.

We support any proposals that would permit the European Community to become more effectively active in facing up to the major problems of our times, and any proposal that would foster more substantial democratic participation of the European people in shaping their own fate.

Thus, we support the extension and consolidation of the powers of the European Parliament, while we oppose any return towards the concept of a two-speed Europe.

However, we think that even the most functional institutions and the most productive organs will remain impotent *unless there exists the political will* to face up to the current problems in Europe, from the point of view of meeting the crisis by eliminating the inequalities between the Member States and within our societies. This political will has not so far been evident in the European Community, and we would like these matters to be dealt with and safeguarded before we depart from the principle of unanimity.

These are the reasons that oblige us to abstain.

PURVIS REPORT (Doc. 1-1345/82 'Energy'): ADOPTED

The rapporteur was:

- IN FAVOUR OF Amendments Nos 1, 2, 3, 4, 5, 6, 7, 8, 9, 10 and 13;
- AGAINST Amendments Nos 11 and 12.

Explanations of vote

Mr Alavanos (COM). — (GR) The European Parliament Members of the Communist Party of Greece will vote in favour of the report by the Committee on Energy and Research. Of course, we consider the measures to be entirely inadequate, even those concerned with subsidizing the burden of interest. However, we think that Amendment No 5 submitted by the Committee on Energy and Research is an important one, in that it extends these measures beyond coal, to lignite and peat as well, a thing that is of particular significance for our country. Of course, we are concerned about the degree to which these measures will actually be realized by the Commission, also taking into account the fact that the financing of Greek energy programmes by the loans granted by the European Investment Bank is extremely limited, and moreover, subject to the interest rates of the international money market.

In spite of all this, the amendment that makes particular reference to lignite and peat is in our view a positive point, allowing us to vote in favour of the proposed resolution in question.

Mr Eisma (NI). — (NL) Allow me to state at the outset that I find Commissioner Davignon's absence during the explanation of vote somewhat strange. I should have thought this aspect too would have its importance for the Commission.

Notwithstanding this we esteem very highly this amended version of the Commission's proposal and we can also support the Purvis report in its present form. I would merely add the following remark. A number of projects under consideration concern the switch from oil to coal. They do not envisage any global energy saving but rather a reduction in the Community's oil imports. Although a worthy goal in its own right, the inherent disadvantage of coal remains, as ever, the environmental pollution occasioned by sulphur emission, nitrogen dioxide and fly ash. Next week we on the Committee on the Environment, Public Health and Consumer Protection will be holding a special hearing on acid rain in the Community. And, as such, we shall be returning to this aspect at some future date. The Commission's explanatory statement made no more than a passing reference to the need to ensure compliance with environmental protection norms. We consider this a shortcoming. We trust that the Commission's subsidy evaluation criteria will incorporate stringent environmental protection conditions for all projects foreseen under these headings.

We also welcome Amendment No 7 which introduces a fifth heading, namely energy saving measures by public, industrial and domestic consumers. We consider its inclusion a substantial contribution towards energy saving and we would reiterate our appreciation of Commissioner Davignon's reaction.

I must unfortunately conclude. I hope it is clear that, notwithstanding the reservations voiced, we shall be voting in favour of the motion for a resolution and the directive.

Mr Damette (COM), in writing. — (FR) The French communists will be abstaining on the Purvis report. We think the proposal for a regulation is ambiguous.

Obviously, we are in favour of any measure that develops the coal market — provided we know what coal it is. The proposed measures are highly likely to be additional incentives to import American or South African coal, in which case we are not reducing our energy dependence. We are increasing it.

We consider that the development of the coal market has to be designed within the framework of an overall policy of development of coal production in the Community. This means introducing at least two measures that are wanting so far:

- We need reasonable protection for the European market, in accordance with Article 72 of the ECSC Treaty, which the Commission persistently fails to apply.
- We need interest rebates on productive investment that are higher than those on coal consumption.

As we do not have these measures, we are moving, under the guise of rationalization, towards greater energy dependence.

We are still waiting for the Commission to bring out a proper coal policy that will enable production to be expanded again.

ANNEX II

The President of the European Parliament

MESSAGE FOR AFGHANISTAN DAY, 21 MARCH, 1983

The European Parliament condemns outright the continuing Soviet military occupation of Afghanistan. The presence of Soviet troops in Afghanistan deprives the Afghan people of their basic rights of self-determination and constitutes a permanent affront to the principles of freedom and democracy to which all members of the European Community subscribe. In order to draw attention to the sufferings of the Afghan people and to keep alive the objectives of restoring the self-determination of Afghanistan, the European Parliament has determined that the annual feast-day of the Afghan people, 21 March, shall be commemorated.

The European Parliament is deeply concerned at the loss of life and suffering inflicted on the Afghan people as a result of the persistent Soviet military operations which are aimed at suppressing all vestiges of Afghan resistance. It is particularly shocked by the forced emigration of refugees to neighbouring countries where they remain cut off from their lands and their rights, and are subject to hunger and disease.

The Soviet invasion of Afghanistan was the result of an obsessive and excessive concern for security. Yet it has served only to increase the instability in the region. Furthermore, the Soviet occupation has contributed to international tensions by causing a serious deterioration in East-West relations. The occupation of Afghanistan seriously retarded progress in relations between East and West during a period when dialogue and communication between the two blocs is urgently required. The Soviet invasion of Afghanistan thus constitutes a permanent obstacle to the search for world peace and stability. It will not be possible to restore relations between East and West to a full and mutually beneficial level until Afghanistan is restored to a position of genuine independence and non-alignment. It is therefore vitally important that no effort is spared to find a solution that will restore freedom to the people of Afghanistan.

Nations, all over the world, must be allowed to exist free from foreign occupation. The European Parliament's decision to commemorate 21 March as Afghanistan Day underlines its commitment to civil liberty, human rights and the territorial integrity of nations.

P. DANKERT

SITTING OF WEDNESDAY, 13 APRIL 1983

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IN THE CHAIR: MR ESTGEN

Vice-President

(The sitting was opened at 9 a.m.)

1. *Approval of the minutes*

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

Are there any comments?

Mrs Maij-Weggen (PPE). — (NL) Mr President, I have a question with regard to the motions for resolutions for topical and urgent debate. Yesterday's agenda set the deadline for tabling amendments to these resolutions at 6 p.m. yesterday. As I only received various documents in my mailbox this morning, I would ask you to extend that deadline to 12 noon today. I intend to table amendments to one of

the resolutions, but before I can do this I would have to study the document carefully.

President. — Mrs Maij-Weggen, if I followed you correctly, you were speaking of the amendments to the motions for resolutions to be dealt with in topical and urgent debate. The deadline for tabling these amendments was fixed for 5 p.m. today, as indicated in the agenda.

*(Parliament approved the minutes)*¹

2. *Recycling of petrodollars — world monetary procedure (continuation)*

President. — The next item is the continuation of the joint debate on the report (Doc. 1-1197/82) by Mr Purvis and the oral question with debate (Doc. 1-1376/82) by Mr von Bismarck and others to the Commission.²

¹ Documents received: see Minutes.

² See Debates of 12. 4. 1983.

President

I wish to inform the House that the motion for a resolution tabled by Mr Purvis and others, on behalf of the European Democratic Group, pursuant to Rule 42 (5) has since been withdrawn.

Mr Müller-Hermann (PPE), draftsman of an opinion for the Committee on Energy and Research. — (DE) Mr President, on behalf of my group I would like to introduce the motion for a resolution on the world monetary procedure and give my position on the report by Mr Purvis on the recycling of petrodollars.

We are living in a time of rapid change. A good three years ago, when my political friends tabled the motion on the recycling of petrodollars, the OPEC countries had a foreign exchange surplus of about 130 000 million dollars, while the industrialized countries and in particular the developing countries were faced with corresponding current account deficits. Today the situation is quite different, but we must be prepared for a recurrence of these events. I will come back to this later.

No doubt there are many reasons why we are faced with this change in the oil situation and therefore also in the currency situation. What is important is for us to learn from this example that cartels, like trees, do not simply grow upwards but also provoke reactions. The excessively high oil prices, in fact, led to vast worldwide energy savings and to the development of alternative energy sources. All these factors brought a considerable reduction in oil consumption, due also to the overall world economic recession. So it is clear that one cannot cheat the market, even by the cleverest machinations. If market conditions are not observed, counterforces develop.

As I said, times can change again; a new statement by the Energy Agency has just appeared, to the effect that if the world economy really does revive, bringing with it increased energy and oil consumption, we must expect a similar situation to arise at the end of the 'eighties as we saw a few years ago. In this situation there are really only two appeals we can make, firstly to the OPEC countries to show moderation and keep in mind their responsibility for the world economy, secondly to the industrialized countries, and of course also to the developing countries, not to abandon their efforts to save energy and develop alternative energy sources but to pursue them consistently. At some stage we may still have to consider whether the very sharp fall in oil prices might not perhaps be putting these endeavours and the development of alternative energy sources at risk. That might be a very good thing, for the alternative energy sources might no longer be competitive if energy prices fall. But I think that what we must still do in the Community and in the other industrialized countries is to ensure that we never again face a situation in which we are, so to speak, blackmailed by the OPEC countries.

The problem has not changed. At most it has shifted. At the time when we tabled our motion our main consideration was: what can be done in this difficult situation, in particular for the Third World, which suffered most severely of all from the higher oil prices, given the scale of its existing debts? We are facing the same question today and must tackle the following problem — I am addressing these words to the Commission too: What can the industrialized countries, what can the Community do to mobilize the latent potential demand for goods and services in the poor parts of the world in order to improve our employment situation too? How can this be done? Is it possible to mobilize what is basically an almost infinite demand, and to prefinance it rationally, without destroying the international monetary system or endangering the first hesitant steps towards restoring stability? The problem is there, and it is aggravated by the fact that many developing countries in particular have lost their creditworthiness because of their unusually high indebtedness. The debts which have accumulated in Africa and Latin America are a burden on the banks of the industrialized countries, and not least on the American banks too, with the logical consequence that no one is very keen to throw new money after old just to mobilize demand.

So the problem remains. How can we set in motion the demand which exists worldwide but has not been mobilized, without endangering the international monetary system and the endeavours to restore stability? I think that is also the question behind Mr Purvis' motion for a resolution, which he tabled to back up his own report. He is aiming at a new international stability agreement. Well, I think the time is simply not ripe for that. However, we must discuss the problem seriously.

That brings me to my final point. It concerns the motion for a resolution by Mr von Bismarck and others on the situation in the world monetary system.

We must put this question to the Commission too: must we not make great efforts, on our own responsibility, to ensure that the world monetary system remains viable, or are there any proposals or deliberations under way about setting up a new international monetary system to replace the old one? I have seen much in the way of deliberations, but no practical endeavours.

The fact is that the OPEC countries, which had long since become creditor countries thanks to their oil policy, are now gradually joining the ranks of the debtor countries because they can no longer market their oil at the prices they consider appropriate and must adapt to the new market situation. The fall in demand on the part of the oil countries leads in turn to a fall in demand for goods and services from the European Community too.

Yet there are positive trends too, such as the debt repayments by the developing countries and the fall in

Müller-Hermann

interest rates throughout the world. No doubt, though, further repayment problems will arise, and I repeat my question to the Commission, a question which is also raised in the motion for a resolution: how can we Europeans support the endeavours of the World Bank, the International Monetary Fund and the IDA with the financing instruments and economic facilities at our disposal?

We have a special responsibility here, in that the Community alone accounts for 36% of world trade; among the industrialized countries it accounts for some 43% of world trade. These figures alone show that it depends largely on our attitude whether the world monetary system works and whether it can be made fully viable again.

Our question is as follows: what ideas are the Commission, the Council and the European Investment Bank considering? What part can they play, what part can the ECU play in stabilizing the world markets and stabilizing and further developing the world economic system? I would be pleased if Commissioner Ortoli could answer these questions. I know it is not very easy and that much is still at an early stage of consideration. But I think we must draw attention in time to the special responsibility of the Community and be prepared to accept this responsibility in Parliament, in the Council and in particular in the Commission.

(Applause)

Mrs Desouches (S), *deputy rapporteur on the opinion of the Committee on Development and Cooperation.* — *(FR)* Mr President, my dear colleagues, I trust that it is understood that I am presenting the report of Mr Fuchs, who was the rapporteur for this opinion.

It is difficult to take up a position on the report by Mr Purvis. Some of the points that it contains I find satisfactory, others not. To my fellow members on the Committee on Development and Cooperation, for whom I am acting as rapporteur, I should like to say immediately that what I have to say now marks an appreciable departure from the tenor of our discussions. However, they will appreciate that there are two good reasons for this.

The first is that my report was drafted before the Purvis report. The second is that, between the drafting of these various texts in 1982 and our discussion of them now, in spring 1983, the situation on the oil market has changed dramatically.

I should like to begin with this latter point. Having seen the oil price at 34 dollars a barrel in 1982, we are now talking in terms of 30 or even 25 dollars. Does this mark a happy return to past conditions and should we be rejoicing at the news? I for my part see the recent falls much less as the result of resolute energy conservation policies — in which case they would be a

positive development — than as a reflection of the deepening international economic crisis and the lack of growth and investment that we have seen for several years now. Moreover, having discovered the unpleasant consequences of a sharp rise in the price of oil, we are now beginning to appreciate the risks associated with a fall: an end to the profitability of marginal oil-fields such as those in Europe; a question mark over the halting beginnings of energy conservation programmes and research on alternative and renewable sources of energy; the risk that the international financial system will be brought to collapse in the event of default by certain oil-producing Third World countries with heavy debts; and the risk of a spectacular fall in our own exports of capital goods to the oil-producing countries, which would add a further twist to the downward spiral of recession to which I was referring a moment ago.

Should we therefore draw the same conclusion as that reached by certain economists and politicians of a distinctly fickle disposition, who are now bemoaning the materialization of the very thing that they were praying for until only recently?

The argument that I wish to put forward here is more subtle and, I believe, has greater depth. The real problem as I see it is not so much the level of the oil price but the speed and unpredictability with which it changes. This is not to suggest that the actual price is unimportant. It is a major factor in the distribution of income and wealth among the three groups of countries: the industrialized countries, the non oil-producing developing countries and the oil-producing developing countries. But it is abrupt changes in prices, in my submission, which represent the greater threat to the world economy as a whole. For us, they make it impossible to calculate the cost-effectiveness of new investment in energy projects, which as we all know entail lead times running into several years. For the developing countries, with or without oil resources, they create uncertainty over the level of revenues, making it virtually impossible to plan any development at all. The crux of the matter would therefore seem to be the problem of containing and smoothing oil price fluctuations, and it is here that I find myself considerably at odds with the Purvis report.

I do find it constructive that the report should have taken up the proposal made in the opinion of the Committee on Development and Cooperation for an 'energy affiliate' to be set up jointly by the EIB and various Arab Funds with the primary object of promoting energy-related investment in non oil-producing developing countries, since this is central to the problem of recycling. But what is the meaning of the praise for natural forces? It transpires later on that these are the market forces which determine the price of oil. Why is it that all the proposals aimed not at eliminating market movements but at containing excessive fluctuations — which, I would mention in passing, are caused by clearly identified economic and political

Desouches

forces — are dismissed as artificial and probably counter-productive mechanisms?

It is in order to rectify this aspect of the approach adopted in the Purvis report that I have tabled a number of amendments, out of concern for the future of the non oil-producing developing countries, and for our own as well, since I am convinced that their fortunes and ours are going to become increasingly inter-dependent.

Mr Papantoniou (S). — (GR) Mr President, the report by Mr Purvis on the recycling of petrodollars contains many positive ideas about the problem, particularly with regard to the financing of energy-related investments in the less developed countries of the Third World.

On this I would like to say that we in the Socialist Group agree entirely with the proposal for the establishment of an affiliate investment bank, owned jointly by the European Investment Bank and an Arab equivalent, for the financing of such schemes in Europe, the Middle East and the less-developed countries.

Our main reservation about the Purvis report is that it does not give a sufficiently accurate and full definition of the problem and is thus hesitant and timid in its conclusions. The principal considerations to which it should have given greater cognizance are as follows.

Firstly, due to the stabilization in oil prices and the increased economic capacity of the producer countries to absorb their oil revenues, petrodollar surpluses as such no longer exist. There exist only petrodollar reserves which have mainly been invested in the major money markets of the West. As a consequence the problem of recycling is of lesser magnitude than it was a few years ago but is more intractable, because it presupposes the transfer to other uses of existing petrodollars from the markets in which they are already invested.

The crisis through which the world banking system is passing does not provide the most favourable of conditions for such a transfer of capital, and for this reason we object to the outright rejection in paragraph 9 of the Purvis report of various mechanisms which have been proposed from time to time — such as, for example, the issue of index-linked Community guaranteed bonds — as a means of facilitating the recycling of petrodollars for the benefit, in particular, of the less developed countries.

The second point which should have been brought out is that, contrary to what is asserted in a Conservative amendment, the petrodollar problem is not the cause but rather an integral part of the more general problem of massive Third World indebtedness which is contributing in a major way to the prolongation of the economic crisis and is putting the world banking sys-

tem in jeopardy. The high oil price which led to the appearance of petrodollars is only one of the reasons for the widening current account deficits of Third World countries.

The two other equally important reasons are the fall in the prices of raw materials, which has occurred as a result of the international recession, and exceptionally high interest rates due to the dominance of monetarism in many of the leading countries of the West.

I believe that it would be much more useful if the report were to include paragraphs on the need for a lowering of interest rates, for the stabilization of raw material prices and for deficit financing in the event of a sharp fall in the export revenues of Third World countries, instead of the paragraph which refers yet once more to the introduction of the ECU as a common currency for the Community.

In concluding, Mr President, I wish to state that the Socialist Group will abstain from voting on the Purvis report.

Sir Fred Warner (ED). — Mr President, the oral question is about the world monetary system. That is a big subject, and Mr Purvis' report, although it says it is about the recycling of petrodollars, is also about a very large subject and big questions. It is hardly likely that any of us will be able to answer all these questions in the time available. What I want to look at is how this Parliament is handling these vast problems. Are we going the right way about it? I do not think so.

Firstly, are we being consistent? No. A year and a half ago we had the Wiczorek-Zeul report which made very concrete suggestions on the recycling of petrodollars. These suggestions have been set aside or contradicted in the present report. The present report may be more up to date and more correct, but what are the Commission and the Council to make of these different views coming from Parliament?

Secondly, are we going about it the right way? I think not. We are doing too much. We have had the Wiczorek-Zeul report. We had the Catherwood initiative. We have had Mr Purvis' report. We have got the oral question with debate. We are waiting for the six chairmen of the economic committees to produce new ideas. I have been asked to write a report on world financial instability. What is all this about? Are we not in danger of having our voices drowned by the sound of our own waves. I do very strongly recommend that in the short time left to this Parliament — in the year that remains to us — we conclude the outstanding business and do not introduce any more resolutions on this subject.

Thirdly, how are we actually doing this? Are we being practical? Again I am not sure how practical we are being. If you look at the resolution on petrodollars, it

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asks for the restoration of equilibrium in the European economy. You might think that that is a major task in itself. It asks for a reduction in energy consumption, attainment of world monetary stability, the launching of the ECU as a major world currency, establishing adequate administrative machinery in the Third World. I have counted 25 other major requests. Now these have been put to the Commission.

M. Ortoli, nous avons pleine confiance en vous. Nous vous croyons capable de tout. Mais même vous qui faites des miracles, qu'allez-vous faire dans neuf mois pour répondre à toutes ces possibilités?

What I personally feel is that, if you look at most of these resolutions, we are asking for too much. I am glad that the resolution on winding up the oral question has been withdrawn, because it suggested that we should call a world monetary conference. Why should we do this? Is it not better to allow this to grow out of the Williamsburg process? Where we do make specific proposals — and there are very good ones in Mr Purvis' report — ought we not make more use of existing institutions rather than suggest new institutions, new methods?

Mr President, the United Nations lost its reputation by preferring reports and long debates and resolutions to practical action. This has not been the failure of this Parliament when it has stayed within its own competence. We have enhanced our reputation on our home ground of budgetary matters, of the internal market, of improving Community legislation. We have diminished our reputation when we have passed unenforceable resolutions. I for my part would like to see us guided by three considerations in these monetary matters. One, let us finish our outstanding deliberations on these matters within the year and set no fresh tasks. Two, let us confine our resolutions to a few concrete propositions only and third, let us make sure that our proposals are within the competence of the Commission and the willing exercise of the Council.

Mr Ortoli, Vice-President of the Commission. — (FR) Mr President, having listened both to the rapporteurs and to the other speakers, I agree that it is asking a lot of us to deal with the problems of the general economic trend, the European Monetary System, indebtedness and energy policy in a matter of forty-five minutes. I am inclined to be rather less critical than Sir Fred, however, since I find that there is indeed a very close link between the various aspects included in this debate and because I believe that over the coming period — we shall not manage this today, that much I agree — we shall need to establish a sufficiently clear understanding of the full range of problems confronting us and calmly but resolutely set about the task of applying a coherent set of measures to deal with them.

When we presented the text which we submitted to the European Council on the Williamsburg summit, we

were very cautious in our formulation of proposals (of which there were too many), but very clear in our definition of five major problems, three of which we have under discussion today. These are concerned with: international financial stability which is not accompanied by deflation, or in other words which does not result basically in a reduction in the volume of world trade; an internationally organized effort of cooperation to meet the problems of the monetary system; and consideration of the implications of the oil price fall for the energy policy that we are pursuing.

Here we have three major topics. I agree that it would be a mistake to attempt to cover all aspects of them today, even looking ahead over a relatively short period. It would also be mistaken to believe that we have all the necessary means at our disposal. There are various fields in which — even collectively as the Community — we have no direct means of action; I refer, for instance, to the monetary field and the field of financial stability;

This said, Mr President, the texts before us contain much of interest and I should like briefly to discuss some of the points raised.

The first issue is the general problem of indebtedness and ways and means of coping with the pressures of a situation such as that seen during the course of last year. It is true that the Community has no direct responsibility in this area. However, the Community as such does have a role to perform. I should like to tell you that even before the Toronto summit, at the meeting of finance ministers held in Denmark, we had decided to mount a special drive, at Community level, to tackle what are incorrectly referred to as the problems of recycling, which are in fact the general problems of financing the international economy in the context of a very high level of indebtedness which, in the case of the non oil-producing developing countries, is now running at more than 600 billion dollars. Although having no legal powers in this field, the Community has without a shadow of doubt been one of the most energetic promoters of the action that has been pursued since Toronto, and possibly the most energetic. Through the Group of Ten, and then through the Interim Committee, both chaired by finance ministers of Community countries, we set ourselves the first objective of strengthening the international financial system around the two key institutions: the International Monetary Fund and the World Bank. That is what we have been doing, and this is not a new idea, as a reference to the document that we had drawn up on the medium-term problems will confirm, since it was one of the priorities that the Commission had proposed at the time. But that was two years ago, when the problem was not appreciated fully enough for our proposals to be given the attention that they deserved.

This said, we did what the situation demanded and there is no question that it is because of the new col-

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lective awareness, the will to deal with the problems as they arise, and also our examination over recent months of ways and means of improving the efficiency of international organization that we are now embarked upon a course which I personally consider to be a very positive one.

However, there are two further types of problem that we have to face. First, it is not enough for the International Monetary Fund and even the World Bank to expand their activities; it is also necessary for us to be in a position to maintain adequate financial flows to the developing countries which do not have oil resources, since, as we all know, it is in these countries that the combined effects of the energy price rises, the food supply difficulties and the rise in interest rates and the dollar's exchange rate have had the greatest impact. We must therefore play our part in the action needed to keep these financial flows at the level required to enable these countries to maintain economic activity and, in a number of cases, to survive. However, this will not be achieved by means of regulations or of resolutions, even European Parliament resolutions. What this action requires is, first, the strengthening of the international financial institutions, secondly, the maintenance and development of official aid and, thirdly, adequate organization enabling the banks to continue their operations, providing these countries with the facilities that they need. This is being done very largely through the IMF or large consortia. The Community should be involved, and we have called for it to accept the full implications of the role that it has to play in monitoring and stimulating these activities.

The second major problem is that of finding the more fundamental solution to the difficulties confronting us. It will not be found without the beginnings at least of a recovery in the international economy. The best way to alleviate the debt burdens of the developing countries, many of which depend for their livelihood on a limited range of commodities, is by increasing their sales, at prices consolidated at a somewhat higher level. What is required, therefore, is an international recovery bringing improved terms of trade and higher volumes of sales, and an international financial system in which the level of interest rates can be brought down, since this is one of the main sources of these countries' difficulties.

Thus it is indeed an overall strategy that is required, but I do not believe that it is possible to reduce this strategy to a list of formulas defined in great detail by the Commission or the Parliament; it is a coherent set of actions in which the political ability to observe what one wishes to do and deployment of the various means at our disposal (our participation in international action in particular) are of fundamental importance. We need to display a combination of lucidity, determination and practical application, and this is what the Commission has said in various documents.

The third major problem touched upon here is the international monetary system. I should like to say straight away that I share the opinion expressed, I believe, by Sir Fred that there is nothing to be gained at this stage from thinking in terms of a further conference. A conference would confront us with the usual problems of long meetings, probably ending with contradictory comments, but it would not put us in a position to undertake the gradual process of setting up the means with which to remedy a situation which in my view has now become very serious. In the document that we submitted to the European Council, we wrote that it was remarkable that there should be such a dichotomy between a certain level of international interdependence and the reality of international organization. The gulf is widening all the time. We are increasingly interdependent, American interest rates are a key factor in determining our own development, monetary trends and trends in our own economies, but there has been a tremendous weakening and contraction in international organization in recent times. In these circumstances, what contribution can we make? Without doubt, our primary contribution is our own ability to establish an island of monetary stability in a world shaken by one tremor after another, and I am convinced that the task of developing the ECU along the lines proposed deserves to be pursued. We are taking action on this front, as our President, Mr Thorn, confirmed in February, and the ECU is gradually becoming a considerable if not yet formidable force on financial markets, and its importance is growing all the time.

Secondly, we believe that we must remove the obstacles to use of the ECU within the Community, and I had occasion yesterday to refer to the idea that we should give the ECU full status as a currency, that it should be possible to use the ECU in our countries in much the same way as the mark is used in France or the dollar in the various countries of the Community, that at least this aspiration of ours to begin to catalyse our common will around a new monetary unit should be translated into action by giving the ECU a status consistent with the objective that we have set ourselves.

Mr Purvis' report mentions another problem to which I believe we should be giving thought, and that is the desirability of speaking with a single voice. I subscribe to this idea, since I believe that the Community — given that it claims to have a monetary unit in course of formation — must also acquire the means of pursuing its aims externally. This said, we have a fundamental difficulty in speaking with a single voice, particularly in the international institutions. Whereas it is necessary to be a member of these organizations in order to express a single view on behalf of all our countries, the Community is not a member of the International Monetary Fund, where it has observer status only. Consequently, we must take much more positive steps than hitherto in seeking the opportunity to speak with a single voice where this is possible and,

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at the very least, endeavour to be consistent with one another in what we say, even if we do so with apparently different voices, in all the international institutions. In practice, this will entail a more determined effort not merely to coordinate policies but to define common policies on international monetary issues, so that what is said by each of us reflects what has been decided upon collectively.

I should like to return to another topic. I have said that I do not believe that it would be possible at this stage to call a major conference with a view to remodelling the international system. This will perhaps be possible one day, but not before we have completed the necessary phase of establishing much closer and much more rigorous monetary cooperation among the key international monetary entities. We at the Commission have proposed this on many occasions. We have said that it is not possible to maintain this smiling indifference to movements in interest rates which have been excessive in terms of real interest rates and too volatile over the recent period, nor is it possible to remain indifferent to exchange rates and their movements. I have had occasion to say in this House that to accept that a major currency can depart on a lasting basis from what may be called the fundamental realities is in fact to accept very calmly — when the currency is undervalued — that a form of legal dumping is taking place. When a currency's exchange rate is 20% below its true value, exporters enjoy an advantage which is legal but of questionable validity in the present world situation. This is a state of affairs which could lead to protectionism, since conditions which are regarded as abnormal in relation to economic realities can trigger stronger defence mechanisms. By the same token, if a major currency is overvalued, it is in a sense competing with itself or, to put it another way, it has a kind of customs duty imposed on it; the country concerned will have difficulty in maintaining its export performance. These are elementary facts, but if we do not acknowledge that we have a problem here we shall come to the type of solution that we have seen in the past, one which ignores the existence of the economic problem underlying the problem of exchange rate stability and the disparities between exchange rates and economic realities, and is therefore tantamount to a refusal to attempt to find the solutions. I believe that we should be working together towards these solutions, on the basis of pragmatic but energetic efforts to achieve some stabilization of exchange rates on the international market.

Mr President, I do not propose to say any more on this topic, since it would take a very long time to analyse the various possibilities and refute certain arguments or advance others, but I am convinced that the objective of monetary stability is central to the issues of economic development and our relations with the developing countries. The Community should say so and it should campaign actively for appropriate action, especially at Williamsburg.

The point with which I wish to conclude is concerned with a series of mechanisms proposed by Mr Purvis in his report with a view to solving the problems confronting us today. The report contains an analysis which, as has already been said, covers many aspects of the situation in the developing countries and the various forms of action that should be taken. One point made by Mr Purvis on which one cannot fail to agree with him I can set aside for the time being, and that is the idea that structural adjustment should aim to deal with the real shortcomings in various countries, shortcomings in agriculture, energy, and training, so that our joint action should not be confined to the energy sector alone. In other words, we must not concentrate exclusively on energy as our field of action; we must also make a determined effort to tackle wider problems. But here too we perhaps have the ability to identify the real problems — and I hope that we have the necessary vision — and to help to mobilize the resources required. I will say, however, that such action is to a large extent outside the remit of the Community as such, a point which is in fact made in the report when discussing action by the international institutions.

It is clear that the Community, which has been hit very hard by economic developments and itself has balance-of-payments problems among a number of its Member States, cannot take the rest of the world's problems onto its shoulders, but it can help to solve them. I am thinking primarily of the specific aspect raised by Mr Purvis — the quality of projects — and of our own action, whether through the international institutions or through the resources that we make available under the Lomé machinery. The need to spend this money as wisely as possible, defining those projects which are most cost-effective in terms of economic development and balance-of-payments positions is of fundamental importance, and I do not need to stress this point any further.

On the subject of energy, I wonder about the idea of a joint affiliate of Arab Funds and the European Investment Bank. I am not saying that I do not believe that action is necessary, but I personally have always expressed the view — as has the Commission as a whole — that the field of action should be as wide as possible. The idea of a more broadly-based energy affiliate — the one mooted for the World Bank — in which we would be very actively involved along with the Arab countries was therefore very promising; we were in favour of it and did our best to promote it. I should like to make the point in this connection that when we are talking in terms of our own efforts exclusively, that is in terms of the Lomé Convention, we are increasingly channelling the various means of action at our disposal into energy and agriculture. Turning now to a major theme in Mr Purvis' argument, which is concerned with energy and relations with the Arab countries, I should like to say that I am entirely in agreement with him. For three years now, we have been quietly and unostentatiously developing very

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strong links with our major international financial partners, not only with the World Bank — which is only to be expected — but also, over the past two or three years, with the Arab Funds, organizing joint meetings which have indeed covered a number of the problems to which Mr Purvis refers.

What plans are on the table? What practical action can be taken to develop them and bring them to fruition? What financing can be envisaged and what contribution is the Community contemplating, whether through the Community itself or on a bilateral basis? What are the Arab Funds prepared to do? How can we increase the number of viable projects and finance them more expeditiously through actions which are traditional round table exercises in which everyone contributes his share? I consider this to be very important. Once again, we are endeavouring to set matters on foot, but I am fully prepared to examine whether or not a certain formalization is both desirable — thus far we have flexibility, which is important — and also possible; in such an initiative, both parties must work together on the definition of the type of affiliate that we would like to set up.

That, Mr President, is what I wish to say in reply to the report, at some length, I am afraid, but I have still fallen far short of covering all the matters raised not only in the very interesting report drafted by Mr Purvis but also in Mr von Bismarck's question.

One final comment: I feel that we should be approaching these problems in terms of strategy, political action and mobilization of resources rather than in terms of specific action by the Community. This is not to say that the Community should not be taking action, and I for my part hope — and we have placed this on record — that in these various fields we shall be able, in the midst of the changes that are clearly taking place at the present time, to define our position more decisively, to establish more clearly what we intend to do, in other words to formulate a policy in the fundamental, positive sense of the term, and that, on the basis of this policy, we shall be able to display a spirit of initiative, giving expression to it at the important international meetings, such as, in particular, the Williamsburg summit. Since the debate was opened yesterday with a reference to Williamsburg, I shall conclude on the same theme now. I believe that these major issues which we have been discussing now deserve to be analysed more fully at Community level and that we should make known how we ourselves intend to act and how we think that action should be taken at international level.

I have not dealt with the problem of energy policy, Mr President; it has been discussed by several other speakers. I would merely say that we have indicated the course of conduct that we consider most appropriate in the most recent document addressed to the European Council and also in a resolution adopted by the

Commission here in Strasbourg last March, but that would be another debate.

(Applause)

President. — The debate is closed.

The vote will be taken at the next voting time.

3. Cooperative movement in the Community

President. — The next item is the report (Doc. 1-849/82) by Mr Mihr, on behalf of the Committee on Economic and Monetary Affairs, on the cooperative movement in the European Community.

Also included in the debate is the oral question with debate (Doc. 1-36/83) by Mr Dalsass and others to the Commission:

Subject: New legislation governing the election of cooperative bodies in Greece

Is the Commission aware of the new legislation which has come into force in Greece under the terms of which cooperative bodies have to be elected on the basis of lists submitted by the various parties?

Does the Commission agree that the effect of this legislation is to politicize the cooperative sector and to prevent it from developing freely in the future?

What steps has it taken or does it intend to take to ensure that the cooperative sector can develop as freely in Greece as elsewhere in the western world?

Mr Mihr (S), rapporteur. — *(DE)* Mr President, the Committee on Economic and Monetary Affairs decided to draw up a report on cooperatives on the basis of two motions for resolutions of 18 July and 4 December 1980, in which Members from various parliamentary groups drew attention to the social and economic importance of cooperative undertakings. They were accompanied by several recommendations to the Community institutions to pay greater attention to the part played by cooperative undertakings and to recognize the associations of such undertakings, which have been formed in the past two decades, as discussion partners. It soon proved necessary to supplement the information available for drawing up the report by organizing a hearing of the cooperative associations based in Brussels. These European associations clearly show the importance of the cooperative form of activity to the various economic sectors and to the entire economy of the individual Community Member States. This is briefly described in the report. A hear-

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ing which took place in the Committee on Economic and Monetary Affairs on 26 and 27 January 1982, in which representatives of all the associations had their say, provided information on two questions in particular.

First, it is clear that all the associations want the Community to recognize cooperatives in their sectoral variety, which ranges from agriculture to services of various kinds and even to the production of goods, as an entity and as an important element of the economy and to pay special attention to the cooperative form of activity.

Secondly, cooperative undertakings, the majority of which are small and medium-sized undertakings, expect the Community and its Member States openly to support their aim of promoting the cooperative form of activity in general and making greater use of it wherever it can successfully be brought into line with the objectives of Community policy and the policy of the Member States. Perhaps I may point in this connection to the fact that the year of small and medium-sized undertakings and the crafts began in January 1983 and that its aims largely coincide with the wishes of the cooperative undertakings.

The report, which had to concentrate on giving a general survey without being too long, attempts to identify those aspects which are most important in the present situation. What this report could not do, but which will be important to future cooperative activities, was to describe the organizational structures of cooperatives in the individual countries.

Fortunately the Community's Economic and Social Committee is about to complete a study on this. The motion for a resolution before you includes a paragraph requesting the Commission to set in motion a study to investigate cooperative structures and the conditions for the existence and working conditions of cooperative organizations in the individual Member States of the Community.

In my view this is certainly important, for example in the field of cooperative law, which for very varied reasons has evolved very differently in the various Member States, where the legal provisions should be examined to ascertain whether the procedures and requirements for founding new cooperatives are not too complicated.

The legal form of the cooperative offers good opportunities for young people, such as those who have taken action in a number of Community countries to create jobs, and it would be a pity if such initiatives were to fail just because of legal precepts which have perhaps long since lost any economic or social relevance. If we examine the cooperative system more closely, it becomes clear that there has been a keener interest in cooperative activity almost everywhere in recent years. This obviously has something to do with

the general economic crisis, especially with the shortage of jobs. It is not surprising that the idea of the cooperative is arousing increasing interest, since from its very origins it has been based on principles which could acquire a new meaning in times of crisis, when people find themselves in need: the principles of self-help and solidarity.

There has been a marked revival in workers' and craftsmen's productive cooperatives in some Community countries in recent years, especially in regions which are in any case regarded as economically weak and less favoured. What is more natural than to conclude that cooperative action can serve as an instrument to create new jobs? In this context, incidentally, a small department of the Commission's Directorate-General V has for some time been considering the question of whether and how cooperatives deserve special support as an element in a vigorous with a view to promoting an employment policy. Furthermore, serious thought should be given to ways of making use of existing cooperative experience in the various sectors in the service of the Community's regional development policy. The report and the motion for a resolution refer to this, and we know that the cooperative associations themselves are willing to be more closely involved in these policies.

Of course, in spite of the common desires and aims of all cooperative associations, we must not forget that the individual sectors of cooperative action aim to promote specific interests, while adhering to the common basis of the cooperative principle of organization. For instance, no one would expect the association of consumer cooperatives to have the same social interests as the associations of farming cooperatives or retail purchasing cooperatives. In this context a variety of structures has evolved over the past decades, rooted in the common principles of cooperative activity, yet with each individual cooperative group performing its own task and role in society as a whole, depending on its specific interest.

Cooperatives are a fairly important factor in the economy, as can be seen from the examples of European associations of cooperatives listed in the report. One could even say that the time has come to pay more attention to cooperatives and their economic and social importance. This is also a European task, which the European Community should take on, and that not only because the cooperatives founded their European associations many years ago and are trying to integrate them into European policy-making. In the same way all the political groups must have a clear interest in encouraging cooperative activity, which has proven itself in the most varied ways, to enter the wider dimension of a European market, provided the common principles of cooperative activity, such as voluntary action, solidarity and democracy, are accepted.

Looking at the list of European organizations of cooperatives, it soon becomes clear that more attention

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must be paid to them in European policy-making. The large majority of these cooperatives, with turnover and staff in all the Community Member States, have a social economic role to play *vis-à-vis* their members. As a whole, these undertakings constitute a major element of the competitive economy and have thus also become an independent social force which, in the interests of all concerned should be given its freedom, including freedom from national constraints. That explains the request made in the report to the cooperative associations to work together as closely and constantly as possible on all matters of common interest. For that would create one of the preconditions for the desired closer integration of the cooperatives into Community policy-making. If I am assessing the situation correctly, the question of cooperatives has become increasingly topical in the Community countries in recent years. How seriously the cooperatives themselves and their associations take their own tasks and aims is clear from the keen interest with which they have observed our activity here in Parliament.

I think it is not too much to say that this report on cooperatives in the European Community has given the biggest impetus so far to bringing the importance and strength of the cooperative movement to the attention of society and the economy and at the same time prompting the cooperative associations to work together more closely at the level of the European Community.

Turning now to the individual paragraphs of the motion for a resolution, may I say one word about the question of harmonizing the law on cooperatives. For reasons I do not understand, the Committee on Economic and Monetary Affairs has deleted a reference to this effect on the basis of an amendment. I know that the large majority of cooperative associations is in favour of approximating the legal provisions, and in particular thinks that a new attempt could be made to create a European statute for cooperatives. That is why I think that the motion for a resolution must call on the Commission to examine, in consultation with the cooperative associations, emphasis on what should be done in this area in particular.

In the course of my activities as rapporteur I learned much, and it is only now, I freely admit it, that I really understand the scale and significance of the cooperative sector in the economy and the unused potential for performing valuable work in some areas with the aid of cooperative action. This is true, for instance, in the social field, where aid based on solidarity is perhaps even more in demand today than in the past.

But I have also come to believe that the idea of the cooperative as purely a means of self-help is more or less a relic of the past, especially in those fields of economic activity where massive cooperative undertakings have come into being. It might therefore be useful to create new and easier conditions for the founding of cooperatives, and perhaps this would be a

worthwhile European task. I think that this report and the motion for a resolution represent a good beginning to an interesting development, provided the Commission in particular takes the request made to it seriously.

(Applause)

IN THE CHAIR: MR PFLIMLIN

Vice-President

Mrs Baduel Glorioso (COM), *draftsman of an opinion for the Committee on Social Affairs and Employment.* — *(IT)* Mr President, ladies and gentlemen, it was about time this Parliament concerned itself with the cooperative movement, which has a certain stature in Europe as well as a tradition and a history and which concerns millions of our fellow citizens in all Member States. I say 'it was about time', because this is the first time that, to our great satisfaction as one of the first promoters of this debate and this report, the European Parliament is devoting its attention to the cooperatives and talking about them in this Chamber.

We feel this to be a fact of some significance, focussing the attention of members so as to make them properly aware of the importance of the sector, overlooking now what has happened in the past — namely, the delay of which we are guilty — but remembering at the same time that there is another European Institution, the Economic and Social Committee, on which the cooperatives have traditionally been represented and have the opportunity to express their views. But obviously, the sector is of such size and importance as to make it clearly a political one.

In my view it is very appropriate that the question of the activities of the cooperatives — which cover such wide fields, ranging from agriculture and industry to the distributive and services sectors, including the most modern services and the social services — should have been raised at a time of crisis. A time of crisis — as the rapporteur, Mr Mihr, has stated — in which we are seeking, for the Europe to which we belong, the opportunity, the indications, the way and the outlets to provide additional jobs and stop the increase in unemployment.

This is a very difficult undertaking that is not strictly linked to economic revival, because, as everyone can see, we are faced with one of the most profound contradictions in the system, the contradiction between technological progress and full employment.

We have to tackle this by exercising a certain amount of imagination, a certain political ability to identify

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those sectors and activities that can generate work; and when I say that, I am not referring only to work in return for pay but to all those forms of work that can and must be found and identified in order to develop, in a new and different way and in new and different situations, employment for the workers.

Cooperatives can certainly contribute to creating work, and this is perhaps the aspect that the Committee on Social Affairs has given greatest attention to, partly because it is the aspect most closely linked with its institutional responsibilities but also because of the fact that in the cooperative the worker has a special position. He is not simply a dependent worker, like those in private commercial firms, but also a participant, a co-manager, a self-manager, together with all the others.

The quality of work in cooperatives, especially as far as young people are concerned, therefore has a special significance that should not be overlooked or forgotten. It is significant for the symbolic, moral value of commitment that it can have for the young in those circumstances, leading also to a degree of civil commitment, both direct, deriving from this particular form of activity, and indirect, due to the type of responsibility that springs from it.

I think therefore that I can say at this point that self-management, in other words, the self-management of one's work, is one of the features to be developed — if, where and when it is desired — in the cooperatives. This should be one of the purposes of the training courses that we are calling for from the Social Fund and other financial instruments.

We should, in short, endeavour to arrange things so that the members of the cooperative all acquire the powers and responsibilities of managers, but not like private managers who then become the sole persons responsible for an enterprise. The aim should be to have managers in abundance, with various powers, who are together able to manage a cooperative firm.

From this standpoint we have had an interesting debate in the Committee on Social Affairs and also during a hearing arranged by Mr Mihr and the Committee on Economic and Monetary Affairs, in which our Committee took part.

We noted the decision, taken by a group of cooperative members, to define cooperative activity as the third sector of the economy. I emphasise that — the third sector of the economy. It is true that in French it is called the social economy, but it should be recognized as being very closely linked to the economic problem. The first sector is the private economy, the second is the public economy and the third the social economy.

I feel that those 'cooperators' who are reluctant to accept this definition of the cooperative sector do not

perceive what enormous possibilities they could take advantage of if they succeeded in getting this definition accepted. It would enable them to deal direct in their own right with the public authorities, governments, European authorities, etc., in the same way as private and public business.

Mr Burke, Member of the Commission. — Mr President, the Commission very much welcomes the initiative of Parliament in drawing the attention of the Community institutions to the economic and social importance of the cooperative movement. As the report itself mentions, ever since the Rochdale pioneers of the early 19th Century, the cooperative movement, the cooperative sector, has made a valuable contribution to economic and social life in the Community countries and there is a strong case for bringing the experience of cooperatives to bear in the framework of Community regional and development policy.

Another important and appealing feature of the cooperative system is the improvement of internal working relations within enterprises, avoiding, as they do generally, the more traditional industrial relations difficulties.

Thanks should be given to Mr Mihr and all his collaborators for the excellent report, which has taken account of cooperative action as a whole. Indeed, contacts between the cooperative movement and the Commission have tended to take place on a sectoral basis, perhaps owing to the fact that in the past the different cooperative organizations were not grouped in an intersectoral organization at Community level. The recent move towards such inter-sectoral organization is an important step towards facilitating consultation at Community level in order to ensure permanent discussion on important economic and social subjects between the cooperative movement and the Community.

As far as specific financial aid for training is concerned, the European Social Fund has already assisted cooperatives in the past and is open to any new proposal which falls within the provisions of the Fund. In future, if the recent proposals by the Commission for a revision of the Fund are adopted by the Council of Ministers, there may also be more possibilities for aiding job creation schemes, including those for cooperatives and for cooperatives support organizations. In its communication to the Council setting out proposals for developing vocational training policies in the 1980s, the Commission has also laid the basis for new training structures which take account of the specific educational and training needs of cooperatives.

One good reason why one can argue that the cooperative movement should receive particular support at the present time is that parts of it at least have been highly successful in creating additional new employment at a

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time when other types of enterprises in the Community have been forced to cut back drastically. Mr Mihr's report has mentioned the work of DG V, the Social Affairs Directorate, particularly regarding the job-creation potential of worker cooperatives. Research findings and consultation with CECOP, the European Committee of Workers' Cooperative, Productive and Artisanal Societies have revealed a remarkable performance with a sharp upward trend in the number of worker cooperatives coming into viable existence.

The promotion of worker cooperatives cannot be a panacea for unemployment, but it can make a valuable contribution to the revival of confidence at the local level and by encouraging self-help, in particular in areas and neighbourhoods badly hit by unemployment and structural change.

The motion for a resolution also recommends a Commission study on cooperatives in the individual Member States of our Community. I think I can honestly say that we would already have done more work in this area if the budgetary limits applied had been a little less stringent. Similarly, a conference on the lines suggested would require the kind of all-round contribution that is being made for the Year of the Small and Medium-size Enterprises, and resources for further activity within the Commission are severely constrained.

However, Commission staff are already involved in a series of some 20 local consultations in different Community countries aimed at generating insight into new approaches to local employment creation which can be fed into EEC policy-making and thinking in government at all levels, as well as between the social partners. The consultations will run on until June, but they are already bringing to light, among other things, a good deal of information about the existence and working conditions of cooperatives in Member States.

They show, for example, that in countries where legislation is favourable to cooperatives, and where support structures promoting and assisting cooperatives exist, local initiatives of various sorts often choose the legal status and form of a cooperative in order to pursue their objectives. In a country such as the Federal Republic of Germany, however, the legislation is somewhat unfavourable, and the absence of a suitable legal form for collective undertakings is seen as a serious weakness.

On this, and on the question of possible constraints on international dealings between cooperatives, the Commission will pay close attention to the harmonization of legislation and will consider, in consultation with cooperative representatives, the most practical steps that can be taken in this direction.

At this point, Mr President, perhaps I should add, in reply to the question put by Mr Dalsass and others on

the selection methods for management of cooperatives in Greece, that while the Commission will endeavour to promote the free development of cooperatives within the Community through such practical measures as the ones I have just mentioned, the manner in which people are chosen to run cooperatives is a matter for the cooperatives and for Member States concerned, and I do not feel it would be appropriate for me to comment on the merits of any national practice in this respect.

Two further points have clearly emerged from the consultations. The first is the need for a preliminary process of stimulation to help businesses launch themselves, together with a supporting network to provide advice and channels of communication with financial and other institutions. The second is the need for new arrangements for raising venture capital which can take account of the financial structure and objectives of collective undertakings.

In the light of these findings and discussions, which are still continuing, the Commission is looking at ways in which Community institutions and resources can best be made available to cooperatives and other collective undertakings and trying to see to what extent there are gaps in the existing provisions of the Community instruments which should be covered.

The Commission intends to bring forward in the next few months a communication to the Council containing an action plan for small-scale job creation at local level, looking at the needs of traditional small enterprises, cooperatives and other local initiatives. I hope I can look forward to your active support for the proposals we shall be making in this document for the further encouragement of job-creating initiatives.

Mr President, to conclude, may I repeat that this report is welcome, in particular for the endorsement it brings to the cooperative principle and the way in which the development of certain types of cooperatives has been making a valuable contribution to job creation.

Over the next few months a good deal of work will be done to examine how to exploit more fully the potential of local initiatives of all kinds to provide new job opportunities and social stability. This is particularly important for the young unemployed persons, for women and those living in areas of rapid economic and industrial decline: in short, the groups which have been worst hit by the recession.

The report represents a valuable step forward in this task. On behalf of the Commission, I hope that we will make good use of the analysis it offers and that we shall be willing to act in the direction it recommends in our forthcoming proposals.

Mr J. Moreau (S). — (FR) Mr President, my dear colleagues, Mr Mihr's report on the cooperative

Moreau

movement in the European Community affords an opportunity to open a debate in this House on the role and status of the movement in the context of Community policy. I hope that this debate will bring home the importance of the cooperative phenomenon to this House as a whole and that it will lead to action fostering the movement's future development.

I should like to begin by congratulating our rapporteur on the job that he has done. He originally put forward other innovative proposals, but these do not feature in his report because, during the debate in the Committee on Economic and Monetary Affairs, a majority of our colleagues voted down his most important recommendations. Socialists in all countries have always been strong supporters of the idea of cooperation or association, which provides men and women with a basis on which to pool their resources the better to ply their trade, take care of their health or protect themselves against the many hazards of life.

We are most encouraged to note that, in the midst of the difficulties besetting our industrial society and perversities such as unemployment and social marginalization, we are now witnessing a certain revival, in a sense a rejuvenation, of the cooperative movement. This can be seen in the various countries of the Community. There are obvious differences reflecting the traditions and administrative and legal background in individual Member States. The fact remains, however, that certain forms of cooperation are developing currently.

We accordingly believe that it is incumbent upon the Community — and the Commissioner has just said as much — to create favourable conditions for the citizens of our countries to engage in this form of production, distribution and organization. The cooperative world is so diverse that it is difficult to discuss it as a whole. Nevertheless, when we take a closer look, we find a number of features common to the various forms of cooperation.

It is true that changes over the decades have in some cases so altered the structures of certain types of cooperative that their true character has been lost. Members are playing a more passive role, more akin to that of consumer, leaving power in the hands of a technostucture, to such an extent that it is sometimes difficult to distinguish between a cooperative and a capitalist enterprise. With this great diversity and the degeneration of parts of the movement, it is not easy to gain an understanding of the problem and formulate proposals for action, whether at national or Community level. Despite these difficulties, however, in our opinion cooperation should be assisted at various levels by the Community, since it could prove to be one of the ways of dealing with the difficulties that we are experiencing currently. Far be it from us to suggest that the development of production cooperatives could be enough in itself to solve the unemployment problem. On the other hand, with changes in the legal frame-

work and the introduction of schemes to provide financial assistance and other facilities, the formation of cooperatives could make a constructive contribution to the solution of local and regional problems. In today's difficult conditions, cooperatives can, under certain circumstances, provide a means of organizing industrial redeployment on a more ordered basis, securing and creating jobs, promoting social and technological innovation, and also — I was going to say above all — establishing a new pattern of industrial relations.

Europe is aware that it needs to make the fullest use of its potential for innovation if it is going to cope successfully with technological, economic and social change. Cooperation, as long as it sticks to its original path, can be a powerful force for innovation in the various fields to which I have just referred. There is no lack of examples — in manufacturing industry, service industry, beleaguered regions — to demonstrate the pertinence of the cooperative response. At a time when complaints are being heard on all sides of the lack of initiative and passiveness among men and women in all sections of society, cooperation unquestionably offers a way forward for all those who are seeking more involvement and a more active role in partnership with others. Let me quote one set of statistics: between 1976 and 1980, 2 291 production cooperatives were set up, keeping 70 000 jobs in existence; this represented a 41% increase in the number of cooperatives and a 28% increase in the number of people working in them.

Contrary to what is suggested in certain quarters, the cooperative is not an outmoded form of organization; in a variety of circumstances, it is well-suited to present-day needs. It cannot, therefore, be overlooked in any strategy aimed at developing the European economy. At a time when jobs of public or social utility in the tertiary sector are an increasingly topical subject in various social-economy countries (even allowing that these concepts are not always equivalent, since the realities to which they refer vary from one country to another), cooperation is becoming established as one of the media for mobilization of energies directed at attainment of development objectives. We hold that the Community should recognize that the cooperative movement as a whole is a significant economic and social force and should therefore treat it accordingly in its own right. This implies that the cooperative movement should be consulted regularly, not only on issues of direct concern to it but also on more general matters. This raises the problem of involving the cooperatives in the work of various advisory committees and giving them fairer representation on the Economic and Social Committee.

In short, the Community institutions should look upon the European associations of cooperative organizations as permanent discussion partners on all economic and social matters.

Moreau

We are sorry that the Committee on Economic and Monetary Affairs did not adopt the idea of establishing a kind of liaison office within the Commission, which would have given official status to the cooperatives' role and facilitated communication between the institutions and the cooperative movement. Following pressure from certain cooperative organizations, it proved impossible to gain acceptance for such a structure. Despite what was claimed, there would be no additional risk of bureaucratization, but on the contrary closer links would be established between the institutions and the cooperative movement. Our group has moved an amendment incorporating this idea. With such a liaison office, there could be a continuing exchange of ideas and planning of practical measures with the material and technical support of the associations of cooperatives, especially on the education and training side.

Also rejected was a proposal to seek approximation and harmonization at Community level with a view to the eventual formulation of a European statute for cooperatives. A thorny problem if ever there was one, that we grant. However, this rejection stemmed from various motives, some heavily impregnated with suspicion of the cooperative movement. Nevertheless, harmonization of our laws, allowing for differentiation where legitimate and essential, is needed to promote the more widespread formation of cooperatives.

It is with a view to setting this process in motion that we have tabled an amendment reaffirming the need for some progress along these lines. Here again, the aim is not to introduce new constraints but to create more favourable operating conditions for cooperatives, just as for other enterprises and companies, throughout the Community.

Finally, the report by our colleague Mr Mihr recommended the setting-up of a Community fund for the promotion and development of cooperatives. This proposal was rejected. This is regrettable since the existence of such a fund would undoubtedly have facilitated the development of cooperatives. The fund would have had legal personality and financial autonomy. It would have been set up by the Member States and national associations of cooperatives. It could have been the means of attaining certain objectives.

In conclusion, Mr President, my group will be voting in favour of Mr Mihr's report, despite the excisions. This is because it recognizes the important specific role that the cooperative movement has to play in today's world. It provides a basis for renewed discussion of this topic, both in the Community institutions and in individual Member States. The aim, in our view, is not to introduce exceptional arrangements for cooperatives but to outline a legal, financial and administrative framework within which they are able to develop their activities in the same way as other forms of enterprise or organization and thereby make their contribution towards the solution of Europe's

problems by involving and promoting the interests of workers and all citizens.

(Applause)

Mr Franz (EPP). — *(DE)* Mr President, ladies and gentlemen, 'I am firmly convinced that there is only one means of improving social and especially economic conditions, and that is by applying Christian principles — irrespective of denomination, of course — in free cooperatives.'

This is a quotation from Friedrich Wilhelm Raiffeisen, one of the founders of the cooperative movement. It reflects the close links of the cooperative idea with Christian social teaching and with the principles of the social market economy. The beginnings of the cooperative movement in the mid-nineteenth century are closely bound up with the names of Schulze-Delitzsch and Raiffeisen. Raiffeisen was born in 1818, the same year as Karl Marx, and like him lived in the Rhineland, that is, in a part of Germany that was at that time already highly industrialized with a well-developed traffic network.

Social questions arose here earlier than elsewhere and both Marx and Raiffeisen were aware of the problems of their time, of the abuses which the early machine age brought with it. Where Marx feared the alienation of man, Raiffeisen feared his isolation. Like Marx, Raiffeisen considered ways of improving the bad social conditions of the people. But his point of departure was quite different. Where Marx believed in revolution, Raiffeisen believed in self-help, in the creation and preservation of independent ways of life, in achieving equal opportunity through community action. He utterly rejected the notion of State aid and saw the cooperative system as a democracy of small undertakings designed to realize the idea of liberty, to make every hard-working man his own master and master of his labour and stimulate him to ever greater zeal and better achievements (through the free play of competition) in the service of the community. Then as now, the aim was to preserve the freedom of the weak and to prevent the creation of new power structures.

Unlike Marx the theoretician, who was fortunately unable to impose his theories on us, Raiffeisen, the practical man, himself helped to create an extremely important movement, a movement which has since expanded successfully to encompass nearly every country in the world.

Not everyone recognized or fully appreciated this. Raiffeisen, who quarrelled vehemently with many social democrats during his lifetime, would no doubt enjoy seeing his ideas and thoughts now being welcomed by social democrats and even at times raised to a higher sphere of importance.

Raiffeisen would surely also have welcomed the fact that with his report Mr Mihr has done much to make a

Franz

wide public more aware of the significance of the cooperative movement in Europe. No doubt, however, he would have been just as unprepared as the EPP Group to go along fully with the arguments advanced in Mr Mihr's explanatory statement. I must state quite clearly that when it comes to the vote, we will have to reject the explanatory statement. Like us, however, I am sure Raiffeisen would also be grateful to Mr Mihr for drawing up this comprehensive report and for his intensive study of the cooperative movement, which has enabled him to document the importance of cooperatives and outline the differences between them.

As the report shows, there are large and small cooperatives. They are active in various sectors and have a variety of structures and tasks. In spite of their variety — and even if this definition certainly does not apply to all cooperatives — they, and especially the agricultural cooperatives, feel as they did in the last century that they are economic self-help organizations of a voluntary nature which aim to promote the interests of their members.

The definition of the coordination committee of the associations of cooperatives in the European Community is surely even more comprehensive: cooperatives are economic undertakings which operate on a voluntary basis according to the principles of self-help, self-responsibility and self-management. May I stress in particular the words *on a voluntary basis*. The only amendment which the EPP Group has tabled to Mr Mihr's motion for a resolution, Amendment No 37, tries to make it clear that cooperative economic and business activity is based on the idea of voluntary action.

But even if they have many aspects in common, not all undertakings which are called 'cooperatives' can be treated alike. Of course we cannot solve all the problems in Europe through cooperatives. We know this better than the cooperatives themselves, who have never made such a claim. Nor are they a third sector, as Mrs Baduel Glorioso said again earlier, possibly placed between the public and the private sector, like the social economy. The cooperatives see themselves as part of a free economic and social order. Furthermore, they have to be economically competitive, with the result that they promote entrepreneurial initiative rather than hinder it. It is quite obvious that cooperative undertakings in Europe represent an economic and social force of major importance, which has by now firmly established itself.

As Mr Moreau has already mentioned, Mr Mihr's motion for a resolution gave rise at first to heated controversy in the Committee on Economic and Monetary Affairs, and in my view rightly so. I greatly welcome the fact that close cooperation led to a fair compromise, which highlights the importance of the cooperative movement while also ensuring that no constraints are put on its proven power of attraction, which stems from its freedom and variety.

Mr Mihr and Mr Moreau again referred to calls for such things as the creation of a common statute for cooperatives, a common liaison office, a common fund. Mr Moreau said that in spite of all that had been cut out of it and in spite of the fact that so much had not been accepted, his party would vote for the report, but I would say exactly the opposite. Because the motion for a resolution no longer contains many points in the explanatory statement which we considered unacceptable, the EPP Group intends to vote for this report. We can fully support it in its present form.

There is no question but that this motion for a resolution makes important points. Let me in conclusion touch on three points which I consider particularly important.

1. The Commission is requested to make use of the wide experience of the cooperatives and their associations to help it in implementing Community regional policy and development policy.

2. The Commission is urged to investigate whether special programmes should be drawn up, both for regions of the Community threatened by crises and for cooperative development plans in countries which are signatories to the Lomé Convention, to promote the establishment of cooperatives in certain production and service sectors.

3. The Commission is requested to consider what possibilities it envisages for granting cooperatives or their associations material and technical aid for their educational, training and job creation programmes.

The EPP Group thanks Mr Mihr for his report. It will vote for the motion for a resolution before us. I hope this motion for a resolution, which points out the importance of the cooperative system without prejudicing its variety and freedom, will be supported by a broad majority in this House.

Mr Welsh (ED). — Mr President, broadly we very much support the point of view put forward by Mr Franz, and all I have to say is a small gloss on his excellent speech.

The word 'cooperative' has a certain emotional value in British political circles. For some of us it means the retail arm of the Labour Party. It reminds others of those days when Mr Tony Benn worked out his syndicalist obsessions in Meriden at vast cost to the British taxpayer. But we know, of course, because . . .

(Interruptions from Mr Enright)

. . . I wish that rude man would stop shouting. We know, of course, because we have read the literature put out by COGECA that what we are talking about today is a very different matter indeed. They are an extremely sensible, well-organized, highly-motivated

Welsh

free-market set of organizations and we support them. We believe that cooperatives have a valuable role to play, particularly in promoting the development of small businesses and independent self-employed, and that they can make a valuable contribution to restructuring in the face of the current unemployment problem. A significant contribution, Mr President, but not an exclusive one. We believe that cooperatives have their place and that they deserve to be encouraged and supported, but not, I repeat, not at the expense of other forms of economic organization which also have their contribution to make. These also are valuable and these also should be encouraged.

We have tabled a few modest amendments to the Mihr report to this effect and we hope very much that we shall be able to give it a fair wind when the vote comes tonight.

Mr Adamou (COM). — (GR) Mr President, the Mihr report recommends that the cooperative movement should develop not so much on a national as on a Community level, and here we begin to have reservations and objections with regard to the effects of this on Greece.

The harmonization of the law on cooperatives and the establishment of a statute for a European cooperative society, as recommended in the report, will impede the self-sustained growth of cooperatives in Greece where they have an important contribution to make to the country's economic development, given that the cooperative movement is spreading into many areas of activity in agriculture, processing, commerce, transport and consumer affairs, etc.

The dismantling of controls and national protective measures, in order to stimulate the growth of cooperative activity across national borders, will open up the way for penetration by foreign capital and, as a result, increase the dependence of our national economy on Community-based monopolies.

Mr President, at present the cooperative movement in our country is very weak. Its share in the processing, distribution and marketing of products — chiefly agricultural — is very low and varies between 0.1% and 11.7% at a time when in other Community countries this share lies between 50% and 90%. There are many reasons for this. The backward economy of the country, apathy on the part of previous governments, bad management and general mishandling of the agricultural cooperatives by a bunch of landed proprietors who for years plundered the cooperative movement with the tacit approval of right-wing governments. That is why we are somewhat taken aback by the oral question from Greek and foreign colleagues in the Cristian-Democratic group concerning alleged politicization of the cooperative movement at the present time and supposed obstacles to the unfettered development of cooperatives contained in the new law on the

subject. On the contrary, it was in the past that the cooperative movement was politicized, and in quite the worst possible manner. It became bogged down and moribund precisely because right-wing elements set themselves up at the head of agricultural cooperatives and corrupted their governing association, the Panhellenic Confederation of Agricultural Cooperatives, into an instrument of narrow and self-interested party political expediency. As a result not only did the cooperatives fail to flourish economically and multiply in number but the cooperative idea was discredited in the eyes of the producers.

Mr President, the implementation of a national policy on cooperatives is essential to the development of the cooperative movement in Greece. Cooperatives must be placed on a new legal footing and be supported financially by the state. Those cooperative undertakings which are in difficulty must be made viable, and the activities of the Agricultural Bank of Greece must be brought under the effective control of the cooperative associations. There are some who believe that the cooperative movement will be benefited by the provision of funds from the Community. We doubt this, and we base our doubt on the policy of the EEC towards Greece in the past, which has had devastating consequences for the Greek economy, as well as on the measures proposed in the Mihr report.

For us the only satisfactory arrangement is, as we have said, the implementation of a national policy on cooperatives outside the framework of the Community and free from dependence on its monopolies.

Mr Maher (L), draftsman of an opinion for the Committee on Agriculture. — Mr President, it is a pleasure for me to support the Mihr report. I also had the pleasure of providing the agricultural input into it on behalf on the Committee on Agriculture.

This report comes at a critical time in the development of our countries when we have so many economic problems and problems of unemployment. I believe the cooperative idea should be understood as a middle way forward, rejecting over-capitalization, an extreme from of the capitalist system, and also the extremes of Communism, because what it does is to give responsibility, power and influence to the individual without taking away his independence. It is free and voluntary, as has been said. Here I should like to issue a warning, if I may — as somebody who has been deeply involved in cooperative development almost all my life — to my Greek friends, and I do so in a spirit of friendship. I am not happy with what is happening in Greece. I think the Greek authorities will make a grave mistake and will set back the idea of cooperation if they insist that cooperation can only come as a result of a state edict or a government edict. That will never happen. The very essence of cooperation is that it must come as a spontaneous effort from the people themselves.

Maher

This report is also important in another way. Part of the problems of unemployment and economic underdevelopment results from a system of industrial relations which is tending to become outdated and is very much questioned today, a system under which power is concentrated in the hands of the few while the many have more or less to accept their directions. The cooperative way, in my view, indicates a new path forward because what the cooperative says is that you are not only owners, you are workers and owners as well; so that regardless of how small you are in a commercial undertaking, you have a voice, you have an interest. In the case of agriculture — and this has been very clear for many years — the smallest farmer, regardless of his acreage or the size of his commercial undertaking, has one vote, the same as the biggest farmer, so that he has an influence when it comes to making decisions. I believe that industry generally should look at this concept and see to what extent the workers in factories and other industrial undertakings can have a say in and an influence on their own destiny. Surely that is totally compatible with the ideas of democracy.

Mr President, I must be critical of the Commission for so far not having understood the concept of cooperation. I would call on them now to recognize the cooperative as a way for economic and social development in the European Community. I would call on the member governments also to remove any barriers that are in the way of that development. That is all we ask. Let us do the job, but do not put barriers in our way!

(Applause)

Mr Vié (DEP). — *(FR)* Mr President, my dear colleagues, I and other members of my group have affirmed on more than one occasion that there can be no social policy in the Community unless there is first a common economic policy, and we are not alone in regretting that progress in this field is so slow. Social policy is concerned with distributing the wealth created by expansion as equitably as possible, otherwise it is bound to be limited to coping with poverty, which is unfortunately the case in too many of our countries. In our opinion, expansion in the Community can only be achieved through free enterprise, which of course has nothing to do with any extreme form of capitalism, which is rightly rejected.

It is fruitless to aspire to social progress in the Community for as long as our Member States have not developed a common economic, financial and monetary strategy to meet the formidable challenge from our trading partners in the United States, Japan and, in many of our industries, not least textiles, various other countries besides.

The cooperative movement is an excellent example of free enterprise in that, as most of the previous speakers have already stressed, it brings together elements which are difficult to reconcile: freedom, responsibility and the human dimension.

We in our group are fundamentally opposed — except in very specific cases — to the State assuming responsibility for the running of economic activity. Where this is done, the cost factor is outweighed by an often misguided notion of public service, with the result that the situation becomes so distorted in relation to competition from abroad, where no such notions apply, that the inevitable result is not long delayed. This is protectionism, with all the ills that it engenders: introversion, withdrawal from the international community, a falling standard of living.

It is therefore vital for our Community to draw up the ground rules for a modern economy. There is no single formula and, I repeat, the cooperative movement offers a solution, not universally applicable but of the greatest interest in terms of freedom of enterprise which, let us make no mistake about it, we need if we are to enjoy freedom itself.

Our Parliament, to its great credit, is deeply committed to human rights. It is impossible to find a single example of stronger defence of human rights among countries which deny free enterprise.

Mr Caborn (S). — Mr President, it is very unfortunate that the British Conservative, Mr Welsh, has now left the Chamber, because I think it would have been wise of him to listen to some of the contributions to the debate. He may well have learned a little more about the cooperative movement.

In the short time available I want to draw the attention of the House first of all to the removal in the Committee on Economic and Monetary Affairs of the cooperative fund by an amendment tabled by the British Conservatives on the right wing of that committee. This was not only unfortunate but indeed removes any seriousness that the committee is attaching to the development of the cooperatives. Therefore, I ask the Assembly, when the vote takes place later today, to support Amendment No 35, because that is going to reinstate in the resolution the cooperative development fund. I feel that this fund is central to the implementation of the Mihr report and its explanatory statement which, as you have already heard this morning, has been rejected to a large extent by the right wing.

I think the role that the cooperatives are playing, particularly in the manufacturing sector, has seen a tremendous growth over the last period. In that growth a number of problems have arisen. Ivor Richard, the Commissioner responsible, came to the United Kingdom a few months ago to the city which I represent in this Parliament, Sheffield. There he sat down and had a long discussion with a number of cooperatives and tried to find out what their problems were. It was a very constructive discussion, and it was quite evident that many of the problems of the cooperatives — something like 14 have now been set up — were on the level of expertise and on the professional level.

Caborn

These companies had been formed from redundancies created in multinational companies and in some of the smaller companies in Sheffield which, under the economic policy of the present government, had hit the ground. Now in those discussions Ivor Richard said that there was a real need to create a reservoir of expertise and fund it, not just in the UK and in relation to the points that we were making to him but, in fact, on a much wider front. He expressed the point of view that the things that were happening in this particular area were being felt throughout the entire Community. I was pleased to hear the Commission this morning responding positively to the possibility of setting up, particularly in the manufacturing sector, the type of funding arrangement that could really assist these cooperatives.

You have heard a historical evaluation of the German scene and you have heard the very right-wing reaction which has actually gutted to a large extent the resolution that we will be voting on. I would now like to tell you about a small cooperative that was set up in the area that I represent. It consisted of seven men who were declared redundant at the General Electricity Corporation in the United Kingdom. They set up a small cooperative to start cleaning the traffic light systems in Sheffield and the surrounding area. They called it the Traffic Systems Cooperative. That cooperative has in the last 12 months saved the County Council £100 000. It has made two of the big multinationals in the United Kingdom, which had got a monopoly on the cleaning of traffic lights throughout the UK, cut their prices and their tenders by 60%. Indeed, having done this, they then tried to bring actions against the County Council for accepting the cooperative's tender. Not only, Mr President, have these seven men saved £100 000 and forced the multinationals to cut their prices by 60%, but they have given four times more maintenance for a third of the cost. That is the action of one small cooperative of seven men who were declared redundant. Now if that is not taking on the multinationals, if that is not breaking the monopoly, I do not know what is.

I believe cooperatives can play a vital role and are important to the make-up of this Community and to its social function.

Mr Papaefstratiou (PPE). — (GR) Mr President, dear colleagues, because of the shortage of time, of which you are aware, I am speaking also on behalf of my colleague, Mr Dalsass. In the countries of the free world the great social value and economic importance of the cooperative movement is taken for granted. The common features of the pluralistic societies of the countries which belong to the European Economic Community must be adherence to the principle of representative democracy, respect for individual freedom, the safeguarding and enhancement of social and individual well-being and the maintenance and further development of the free economy.

For all these reasons we support the report by our colleague, Mr Mihr, which contains many points of interest. However, today's debate also includes the associated question concerning the new regulations on the election of managements of cooperatives in Greece. I feel genuinely sorry about having to condemn and stigmatize the self-styled Socialist government of PASOK for the attitude and methods it has adopted since it came to power with regard to the immensely important issue of cooperatives. In 1982, by virtue of its parliamentary majority, it voted through Law 1257 which enabled it to pronounce a formal end to the terms of office of the lawfully elected managements of cooperative organizations on all levels. Previously such a step had been taken only by the colonels' dictatorship when it did away with freedom in Greece. This was followed by enforced new elections based on a system of party lists, whereas in the past, and very rightly so, such elections were completely independent and non-political.

The Athens press acquired and published a confidential circular sent out by left-wing parties urging their local offices to do everything in their power to engineer a takeover of the cooperative organizations. It is worthy of note that before these elections took place the government studiously avoided all forms of cooperation with the largest of the cooperative associations (the Panhellenic Confederation of Agricultural Cooperatives, KYDEP, SEKE, etc.), obviously because they were to be numbered among its impending victims along with the General Confederation of Greek Workers and ADEDY, etc. During the run-up to the elections pressure was exerted through organizations supervised by the state, such as the Agricultural Bank of Greece and the Agricultural Insurance Organization which control, respectively, agricultural credit and insurance matters.

In a letter to the elected management of the Panhellenic Confederation of Agricultural Cooperatives — PASEGES — dated 16. 4. 1982 the International Cooperative Union (ICA) pointed out that measures of this sort are leading to unwarranted political involvement in the affairs of the cooperative movement, which should be completely free of such influences. Similar views have been expressed by the Confédération Européenne de l'Agriculture, by COGECA, by the German Raiffeisen Confederation and by many other international organizations.

Since these elections, which took place against a background of pressure, threats and transfers of agricultural cooperative employees and management staff, and which were widely condemned in the press, the new management of PASEGES has undertaken no cooperative activity worth mentioning. However, in an article of his published in the Larissa newspaper 'Thessalos' on 16. 3. 1983 its general secretary, Mr Samios, declared that PASEGES is opposed to continuing Greek membership of the EEC. In addition a resolution adopted by PASEGES in concert with the Federa-

Papaefstratiou

tion of Agricultural Unions calling for Greek withdrawal from the EEC, and which — let it be noted — loudly proclaims their political affinity with PASOK and the Communist Party of Greece, was read out in front of the Greek Prime Minister at the commemoration of the Kileler anniversary on 13. 3. 1983.

These sad goings-on belie the fact that the overwhelming majority of Greek people and farmers approve of full Greek membership of the EEC, which it is hoped will make a valuable contribution to raising the living standards of the stalwart Greek farmers and to ensuring that the structural problems of the Greek economy are tackled effectively.

For these reasons, Mr President, we particularly support that part of the report which refers to the need for harmonization of Community policy towards cooperatives. And I would say to the Commissioner, Mr Burke, that members of cooperatives must be able to elect their own managements freely and without government interference, because such interference destroys the meaning of the democracy of which the cooperative movement is a fundamental concomitant.

Mrs Elaine Kelett-Bowman (ED). — Just two points in this very interesting report on paragraphs 2 and 5. As it stands, paragraph 2 is perfectly workable in the United Kingdom, but if amendments 27 and 37 were to be adopted, and I am sure Mr Franz or Mr Papaefstratiou did not intend this, it could affect the existence of our milk marketing board, which is a statutory body, throw our entire doorstep delivery of milk system into chaos and jeopardize the very high per capita liquid milk consumption which that system ensures. Now, this cannot be in the interests of the Community at a time of surplus milk production, and I would therefore ask the Parliament to leave paragraph 2 as it stands.

A similar point arises on paragraph 5, amendment 28. Also on paragraph 5, I am a staunch supporter of Lomé, but I believe that the encouragement of cooperatives in Lomé countries is worthy of a report on its own and should not be included in a report on cooperatives in the European Community. I therefore ask Members to support my group's amendment 20 seeking to confine our attention in this particular report to the ten Member States.

Mr Kyrkos (COM). — (GR) Mr President, we shall vote in favour of the Mihr report because we want to support the development of the cooperative movement in every way, both in agriculture and in the craft industry sector. In our country the cooperative movement is in a humiliatingly embryonic condition. The responsibility for this lies exclusively with conservative governments of the past which did everything in their power to discourage or destroy every successful cooperative activity and to subvert cooperative organiza-

tions into instruments of government policy so that the middlemen could have free rein. You need do no more, colleagues, than look at the numbers of cooperative developments in Greece to verify for yourselves at just how paltry and humiliating a level the governments of the Right kept the cooperative movement. Therefore it is unbelievable that colleagues belonging to the New Democracy party should endeavour to hoodwink the European Parliament by condemning the new legislation in Greece as alleged government interference when, in fact, and albeit hesitatingly, it strives to encourage development of the cooperative movement and to return it to the control of its members.

I would like to remind my colleague who spoke earlier that for whole decades any person seeking election to the management of an agricultural cooperative was obliged to produce a certificate of political and social rectitude. And after that we have the temerity to talk about the freedom of the individual and free elections!

While we are debating this crucially important resolution I would request the House to be wary of and to unanimously condemn attempts of that kind to introduce party political rancour into the proceedings and to turn the European Parliament into a haven for reactionary politics rather than a forum for the exchange of ideas.

Mr Delorozoy (L). — (FR) Mr Mihr's report brings home the importance of the role that the cooperative movement can play, not only in industry, agriculture and distributive trade, but also in service industries, credit in particular. This movement is based on free participation by its members — as has been stressed on several occasions during this morning's debate — but there is an ambiguity which should be removed from the report, which could give the impression that the cooperative is a collective instrument designed for the essential purpose of promoting what is erroneously attributed to the social economy and a systematic, uniform brand of collectivism.

The cooperative movement is not a weapon with which to do battle with private-sector businesses, Mr Caborn, nor is it a substitute formula for private enterprise embodying miracle solutions to the economic or social problems of companies or workers. It has to be stressed in the strongest terms that it is to the vision, creativity and dynamism of its founders and members that the cooperative movement owes the progress accomplished over the better part of a century, which has seen the development of a multiplicity of types of cooperative providing services to their members without any State intervention. If the work done by these various cooperative movements is recognized, their respective representatives should be accepted as valid partners. In view of the variety of forms of cooperative and the differences from one sector to another, it would be mistaken to attempt to bring them together in a single representative body.

Delorozoy

Cooperatives should be given the opportunity to express themselves in all their variety, according to whether they speak for farmers, independent enterprises or individuals. Cooperatives should be able to carry on their business and develop under conditions upholding the rules of free competition; they are not seeking privileges, but greater understanding of their obligations towards their members. They would like legislation to take account of their particular type of constitution, which is necessary in order to define their rights and obligations, and it would be legitimate for them to be given the same facilities as others for access to the existing Community funds and instruments. Through the pooling of resources, the cooperative formula is capable of gathering together considerable energy, in pursuit of shared objectives and in a spirit of mutual support. It can also create favourable conditions for the development of worthwhile individual potential. All this deserves to be taken into account more fully, and perhaps as a result of this debate this will be done by the Community institutions and the authorities in all our countries.

IN THE CHAIR: MR JAQUET

Vice-President

Mr Vgenopoulos (S). — (GR) First of all, Mr President, we agree with Mr Mihr's report on the cooperative movement in the European Community. I want to emphasize the great economic and social importance of the cooperative associations, particularly at a time when the Community is racked by high unemployment and when there has been a large increase in the number of businesses which are in trouble and which, if they were to be organized on a cooperative basis, could be saved and help to keep unemployment down. By supporting and developing the cooperative concept the Community will reinforce the desire felt by citizens to play a more active role in economic and social development and will help to promote collective responsibility and mutual support in the sphere of work.

The present Greek government is totally convinced of the major role that the cooperative movement has to play and it has given a great thrust to the organization of cooperatives. It is making every effort to promote the harmonious and unimpeded development of the cooperative movement along democratic lines, particularly in the agricultural sector where, since the recent implementation of Law 1257/82, the number of farmers belonging to cooperatives has jumped by 100 000, by 15% that is, in eight months.

Mr President, in view of the questions tabled by Mr Dalsass and others, which is critical of the new regulations governing the election of managements of coop-

eratives in Greece, I would like to use this opportunity, as one who represents the governing party of that country, to inform Parliament in a responsible manner about the situation as it presently is — and also about the way it used to be until very recently.

The new law abolishes the multiple vote and provides for the election of representatives in higher level cooperative organizations on the basis of the number of members. The principle of one man one vote is being implemented for the first time in agricultural cooperatives in Greece. The law also abolishes mandated voting and provides for voting to be monitored by supervisory committees which are themselves elected by farmers' general assemblies. The system of direct proportional representation is being used for the first time so as to ensure that minorities have representation, which was not the case in the past. For the first time women farmers have the right to stand for election to cooperative managements. The single list voting system is used in 70% of cooperatives. The multiple list system is used in only 30% of cooperatives where the number of persons to be elected to managements exceeds 100 and it is thus impossible to use the single list system. Lists of candidates are drawn up exclusively by the members of the agricultural cooperatives and never by the political parties, and the fairness of cooperative elections is guaranteed by their being supervised and controlled by a committee under the chairmanship of a legal officer.

But let us take a look at what went on under the law passed by the government of the party to which the co-authors of the question belong, under Law 921 passed by the Democracy party. This provided for a 'first past the post' simple majority system of election which excluded minority representation. Multiple voting was permitted, and this meant that one person could vote on behalf of many others with one single mandate. 44.5% of the voting rights on the general council of the governing agricultural cooperative association, PASEGES, were held by joint stock companies and shareholding institutions. Thus some cooperatives were able to vote in three different ways — as cooperatives, as companies and in a shareholding capacity. This helped to create artificial majorities and led to the takeover of the cooperative movement by landed proprietors who had no real links with the movement, by lawyers, traders and engineers etc. Hence the elections were always won by the favourites of the New Democracy government and, what is more, without an elected opposition because of the first past the post system of election. Mr President, it seems that this is what has rankled with the Greek co-authors of the question who have clearly misled Mr Dalsass.

As you have heard, their case is a complete distortion of reality. But, Mr President, in my turn I want to ask the Italian Member, who has left the Chamber, to tell us what goes on in his country.

Vgenopoulos

I am at a loss as to how Mr Dalsass can claim that there is party political interference with cooperatives in Greece without protesting about the situation in his own country. At this moment, Mr President, the leadership of the cooperative movement in Greece represents all points of view on cooperative matters, because only in this way can there be a basis for fruitful dialogue and unfettered development of the movement.

Mr Bocklet (EPP). — *(DE)* Mr President, honourable Members, in all the Community countries, agriculture is inconceivable without cooperatives. This applies in particular to rural farming structures based on a multitude of small independent holdings which have to survive as businesses in a free economy made up of increasingly large units. As economic self-help organizations operating on a voluntary basis, the cooperatives have hitherto achieved something of irreplaceable value and offered a remarkable example of creative adjustment to structural change. Conversely, the agricultural and fisheries cooperatives are a forerunner of the entire cooperative movement, for cooperatives began in agriculture. As economically significant structural organizations, they are still considerably in advance of and more highly developed than other cooperatives.

The cooperative movement is not a homogenous one. Rather, its success and power of attraction are due to the fact that the individuality, imagination and creativity of its founders and members over more than a century of development have led to a large variety of different types of cooperative, which are responsible for major economic and social benefits. The strength of the cooperative movement lies in its variety and flexibility. That is why the demand for a Community statute for cooperatives, designed to harmonize national legislation on cooperatives, is a totally superfluous and misguided way of promoting the integration of Europe. Anyone wanting to preserve the variety of the cooperative movement should not try to stipulate how the cooperatives should try to organize the protection of their interests. That is why the attempt to create a uniform body to represent cooperative interests over and above the existing coordination committee is not only foolish but also a step towards state control, which must be categorically refused. The same applies to the creation of a cooperative development fund or a cooperative liaison office in the Commission, two measures which are no doubt well-meant but can easily be turned into instruments of political influence and control over the cooperatives. The cooperatives, which are a cornerstone of a free society, are entitled to expect that they can promote the welfare of their members independently of any state regimentation.

Mr Jürgens (L). — *(DE)* Mr President, ladies and gentlemen, if there were no cooperatives today, they would have to be founded now, as they say in my

home town. This report has been needed for a long time. From my point of view, I could say that cooperatives are typical liberal organizations, but in fact cooperative have always stood out throughout their history as being independent of party politics and never rejecting or supporting any particular religion. Rather, they were independent institutions, and this should remain their basis of operation in future too. The cooperatives have great economic and social importance and it has become almost a matter of course that the associations are discussion partners of the EEC institutions.

In the past, the cooperatives guaranteed the survival of many small and medium-sized undertakings in agriculture as in the trades, the crafts and small-scale industry. We should encourage this, because they have done much to look after the people, particularly in the thinly settled rural areas. The method of action of cooperatives, based on self-help and self-responsibility, is particularly necessary at the present time if we consider the budgetary situation in our countries and communities. And the cooperatives can do good work here in future too. They can make a major contribution in the European Community if their experiences are interchanged and exploited. But the cooperatives also provide the European Community with much statistical material. Their structure and method of action can serve as an example for the European Community. The slogan of the cooperatives, 'one for all, all for one', should also be the motto for the future development of the European Community.

Mr Pשמazoglou (NI). — *(GR)* Mr President, I want to stress the need for a European regime on cooperatives, and in this respect the initiative contained in the report we are debating is important and of value. I also want to stress the particular importance of cooperatives in countries which are in a development stage and where there is a need for agricultural restructuring. Such a country is Greece, a country where land holdings are often very small and which has considerable potential for agricultural development.

There does exist a need, therefore, for such a statute in the European Community, and I would like to draw attention to three points that are particularly important.

The first point concerns the basic regulations dealing with the formation, organization, functioning and development of cooperatives. I am glad that all political persuasions and all of my compatriot colleagues have condemned the politicization of cooperatives. If in the past there was interference along party lines, it is not a solution for this to have been replaced by new and equally grave interference of the sort which, in my opinion, is taking place in Greece at present. But that is an exclusively Greek affair. What does need to be stressed, I think, is that party political interference in cooperatives must be proscribed. With reference to the strictures voiced by certain of my compatriots to the

Pesmazoglou

effect that the cooperative movement in Greece is unacceptably weak, I feel obliged to praise the efforts of those people who pioneered the movement, who were of a progressive turn of mind and who made an important contribution to the development of the cooperative system in Greece.

The second point, which is very important, concerns the need for the European Community to develop vigorous mechanisms to assist the healthy growth of the cooperative movement, and here there is great potential.

The third point concerns the introduction of regulations to govern the functioning of cooperatives and their participation in the economy and development of each country in train with producer groups and private enterprise. Here I must stress how essential it is that obligatory cooperatives — either formal or implicit — be prohibited, because these can debilitate the workings of the market and lead to high expenditure and economic problems. I want to stress this because it is fundamental to the healthy development of the cooperative movement.

President. — The debate is closed.

The vote will be taken at the next voting time.

4. *Future financing of the Community*

President. — The next item is the interim report (Doc. 1-72/83) by Mr Arndt, on behalf of the Committee on Budgets, on the future financing of the Community.

Mr Arndt (S), rapporteur. — (DE) Mr President, as rapporteur of your Committee on Budgets I deeply regret that I can only present an interim report on the Commission's Green Paper on the future financing of the Community. This is not the fault of the Committee on Budgets or of Parliament. In fact, in more than a dozen resolutions Parliament has set out in detail its proposals on the future financing of the Community with a view to eliminating the imbalance in the budget and relieving the intolerable situation for some Member States. Moreover, in all those resolutions, dating from 1979 to February this year, Parliament has called on the Commission to present practical proposals in this area. The Green Paper presented to Parliament and the Council in February this year does not contain practical proposals but is a discussion paper. That is why your rapporteur finds it necessary to quote from a parliamentary resolution which defined this procedure on the part of the Commission years ago. It stated that the European Parliament regrets that the Commission is always presenting communications, instead of submitting proposals for directives, decisions or regulations, and emphasizes that the Commission's activity is

inadequate since there is no evidence either of practical proposals or of a firm resolve to achieve political efficiency.

Mr President, I am sorry to find that on this extremely important question of the future financing of the Community the Commission has not so far kept its promise, has disregarded Parliament's request, made in more than a dozen resolutions, for the submission of practical proposals and has not fulfilled its duty as motive force and initiator in the European Community. It is on this basis that the Committee on Budgets is submitting this interim report, without actually repeating in detail the positions adopted by Parliament to date.

This point seems to me to be extremely important too for those Members who intend to propose supplementary motions to this interim report. For it would only weaken Parliament's demands and practical proposals if we now singled out some of them again and put them to the Commission as being of particular importance. We will adhere to the decisions of this Parliament, as quoted in the footnote. For the same reasons, it would not be useful either to take a definite position now on the Commission's vaguely formulated proposals.

Instead, the Committee on Budgets wants to persuade the Commission to give clear and definite answers by putting specific questions to it. Let me comment a little on these specific questions. We all keep using the phrases 'balanced budget' and 'budgetary imbalance', but I do not think it is quite clear what they actually mean.

For instance, Parliament stated that there is an imbalance in the budget as a result of the price support measures for surplus agricultural production. It called for effective measures to limit the rise in agricultural expenditure and for measures to restructure expenditure in order to remove the budgetary imbalance. The Commission must therefore explain clearly and precisely what it understands by these concepts. The same applies to the concept of an 'unacceptable situation' for a Member State. This concept is also found repeatedly in Parliament's decisions and in statements by the Council and the Commission. If practical proposals are to be examined, the Committee on Budgets considers that the Commission must first define clearly what it understands by this concept. The expression 'unacceptable situation' is usually used in conjunction with 'net contribution'. Many Members of this Chamber, and the Committee on Budgets too, have continually objected to the scintillating concept of the net contribution. It covers not only revenue from VAT but also duties and levies. But duties and levies are age-old Community own resources. What we need here is a new system of calculation or even of assessment which can show the actual, calculable financial and economic benefits and real burdens more objectively and more comprehensibly.

Arndt

A further idea put forward in the Green Paper is that certain tasks, which at present are performed both by the European Community and by the Member States, should be carried out only by the Community. However, to date the Commission has not proposed any better way of distributing the tasks between the Community and the Member States. This has resulted in the constant recurrence of mixed financing, and usually neither the national parliament which decided it nor the European Parliament knows what resources are made available for the individual tasks. As long as four years ago, in March 1979, Mr Notenboom asked, in this connection, whether in future the Commission could indicate cases of overlapping tasks and mixed financing. At the time the Commission replied that this question would be examined in detail in the future. And two years ago Parliament also expressed the view that it must be ascertained whether individual tasks were financed by the Community alone or whether the financing was mixed.

If we are to judge whether it is more efficient and cheaper for the Community to perform a task alone, or whether mixed financing or financing solely by the Member States would be more advantageous, the Commission must at last answer these questions.

The Commission promised on several occasions, and this Chamber requested it, that VAT would soon be fully harmonized. The basis of assessment of VAT has been harmonized to about 90%.

Yet the exceptions relate to extremely sensitive areas, such as food in the United Kingdom and telecommunications in the Federal Republic of Germany. So this House must know the Commission's real timetable on this question, so that it can take a position on all the details. In a number of resolutions the European Parliament expressed the view that financial equalization between rich and poor countries is necessary. Parliament found that the current VAT mechanism does not contain any elements of progressivity.

The Council, by contrast, asserts that the VAT rules already take account of the Member States' economic strength. So the Commission must give specific details on the ratio of per capita VAT payment to per capita GDP. At first sight it would appear from the 1981 budget that per capita VAT payment corresponds to the per capita GDP in Belgium, Greece, France and the Netherlands. However, and this is most surprising, in three countries the per capita GDP is considerably higher than the per capita VAT payment, and these three countries are Italy, the United Kingdom and Denmark. And finally, there are three countries which, according to the 1981 figures, have paid a per capita VAT that is higher than their GDP, namely Luxembourg, the Federal Republic of Germany and, interestingly enough, Ireland too. So it is urgently necessary for the Commission to make it clear now, on the basis of model calculations, how high the per capita VAT payment actually is, according to the latest figures,

and what the ratio of this payment is to per capita GDP.

Lastly, the Green Paper mentions an agricultural production levy. On this question too the Committee on Budgets has deliberately refrained from making any judgments now. At this point all it will say is the following: firstly, as far as can be made out from the Commission's statements, this would represent a partial shift away from the own resources philosophy and the reintroduction of financial contributions. Secondly, according to the calculations of your rapporteur, which, I admit, are not foolproof, by comparison with the present VAT share this agricultural production levy would mean: (a) a small tax burden for Ireland, Italy, Greece, Germany and the United Kingdom and, if they join, for Spain and Portugal too, and (b) a higher tax burden for Denmark, the Netherlands and France. Parliament would have to know all the exact details here.

Your rapporteur would like to conclude with the following words. If we want to achieve the three aims — of eliminating the imbalance in the budget, abolishing an unacceptable situation for certain Member States and finding additional resources for new Community tasks — then, as Parliament has found in the past, this can surely not be done purely by means of revenue. Only if both revenue and expenditure are taken into account can these aims be achieved in a medium to long-term process. Because nearly all corrections on the revenue side have to be ratified by ten national parliaments, the European Community has already lost an unwarrantable amount of time. It is now up to the Commission finally to fulfil its European task by giving specific answers to these questions and formulating practical directives and regulations.

(Applause)

Mr Früh (EPP), draftsman of the opinion for the Committee on Agriculture. — *(DE)* Mr President, ladies and gentlemen, agriculture and the budget are closely intertwined. The common agricultural policy and its financing are subjects which cannot be separated from each other. That is why the Committee on Agriculture asked me to draft an opinion. But you will understand that at this stage, i.e. after hearing the statements by Mr Arndt, the rapporteur of the committee responsible, it is simply not possible to deliver an opinion.

We thank the Commission for its excellent and comprehensive text. We discussed it intensively at a committee meeting. And I have been instructed to put forward some points which in our view should be taken into account in any new document the Commission submits or in any future deliberations.

The Committee on Agriculture welcomes the Green Paper because we think that we must finally stop speaking only of enlargement, of new tasks and new

Früh

policies of the European Community, while leaving the question of financing hanging in the balance or living in the illusory hope that somehow or other the Community can be financed by budgetary restructuring, as it is so nicely called, which is to say in effect at the cost of the agricultural policy. That is an illusory hope and we should not put faith in it.

The Commission also sets out many excellent ideas and possibilities. But they are not sufficiently clear, so that I would ask the Commission to give us a few more details. Our view is that a system should be created which guarantees balance and fairness — which will be extremely difficult — and yet is simple and transparent and as fair as possible. We do not regard the VAT system as quite so misguided as some people suggest and we could well imagine that the 1% ceiling of the VAT basis of assessment must be lifted if we are to fulfil our financial tasks.

As a member of the Committee on Agriculture, I must make one comment on this, however. If the Community's financing problem were resolved in this way, we could imagine that a levy might be introduced in the framework of a common oils and fats policy — you are aware of this problem, which has already been discussed at great length — with a view to the accession of Spain and Portugal; and this would not conflict with the GATT rules. Mr Gautier does not seem to agree; but I am merely putting the committee's view here, which I am sure could also be a majority view of Parliament.

In my view the proposal to tax agricultural production is certainly not the way to make the financing more transparent or fairer. Mr Arndt has also touched on this matter. That road could lead to financial contributions, although of course we should remember that precisely because we only have a largely agriculture-based financial system, the performance of agriculture at any one time has a decisive impact on payments. It would be much fairer to create a balance for the new policies, as Parliament tried to do for the 1982 supplementary budget, i.e. to create a balance by means of new policies or by defining policies on the basis of budgetary resources.

I think we must make it clear again and again that we need a new financing system, which must be thought out in depth again, perhaps on the basis of these principles. We must stop thinking that we will somehow manage to get all we need out of the agricultural policy.

In conclusion, a very bold idea, which Mr Arndt also touched on. It would be a great achievement if we managed, in this new financing system, to get away from and free ourselves of the system of exclusive consent on the part of the national parliaments, for only if we can dispose over both revenue and expenditure will we have a complete and proper system. Then we would be certain that any additional tasks under other

Community policies — which would require further resources — did not fall to the cost of the national budgets, because such tasks could then be tackled at European level, as in the case of agricultural policy.

Mr Tugendhat, Vice-President of the Commission. — Mr President, in the coming months the Community will have to take a crucial decision on its financing. This decision will have very great significance on the operation of all our policies, and thus on the livelihood and wellbeing of all our citizens.

The draft interim report prepared by the Committee on Budgets, under the rapporteurship of Mr Arndt, recalls that Parliament has already adopted various resolutions concerning own resources. But it also includes a number of questions addressed to the Commission. I intend to deal with each of these questions in turn, as well as with some of the additional matters raised in the amendments to the report.

But first I would like, if I may, to make two general points. The first concerns the timing of the proposal. Here I would recall, especially in the light of Mr Arndt's strictures, that Parliament set the deadline of 31 May, and, as I indicated during the debate on the 1984 budget guidelines, the Commission is planning to adopt its proposal early in May — certainly before the deadline set by Parliament.

We have said for some time that we would proceed via the interim step of a consultative document. I therefore, Mr President, reject the strictures of Mr Arndt concerning the discharge of our duty. I can also assure Mr Früh, whom I would like to thank for his most courteous and thoughtful speech, that in our proposal we will certainly cross all our 't's and dot all our 'i's and seek to provide the specific answers to the specific questions that arise during the course of this debate.

My second general point concerns the primary justification for our forthcoming proposal: namely, the fact that, as both Mr Arndt and Mr Früh, I think, have already said, we are running out of money, and running out rapidly. The main reason for our seeking new own resources is the preservation of the *acquis communautaire* — in other words, the existing range of Community expenditure policies, of which the common agricultural policy is, in budgetary terms, by far the most significant. We wish to preserve what we have already built up.

An additional reason is to develop new policies along the lines indicated in the President's programme speech of 8 February, some of which will, of course, cost money. This money should not necessarily mean greater public expenditure. Indeed, in the vast majority of cases it is money which would anyway have to be spent by national governments themselves but which, in the Commission's view, can be more cost effective if spent in the context of Community policies and programmes.

Tugendhat

Furthermore, account has to be taken of the cost of enlargement — to which Mr Saby rightly refers in his Amendment No 12 — and of the problem of budgetary imbalances — to which Mr Arndt referred in his speech and for which Parliament itself has, on several occasions, demanded lasting solutions.

Mr President, as Mr Früh and Mr Arndt have made clear, obtaining new own resources for the Community will not be an easy matter. It is not, I have to remind the House — though both the previous speakers have done so already — something which under present constitutional arrangements the institutions of the Community are themselves capable of doing under their own power, as it were.

Whether we like it or not — and the Commission, of course, by its past advocacy of a revision of Article 201 of the Treaty has made it quite clear that we do not like it — a change in the Community's own resources requires ratification by ten Member State parliaments rather than by the Community's institutions. We must therefore look for changes which will command a broad degree of support within the Community. The Commission would not be doing the Community any service at all if it presented proposals which, while they might be technically simple, did not, in the real world, have the remotest political chance of securing acceptance. This point is, perhaps, relevant to Amendment No 5, submitted on behalf of the Liberal and Democratic Group.

As our Green Paper makes clear, the Commission regards VAT as the backbone of the Community's revenue system and wishes to see the 1% ceiling lifted. I would like to make that absolutely clear so that there can be no misunderstanding at all; we regard the VAT system as the backbone of the Community's revenue and we wish to see the 1% ceiling lifted. But the removal of the ceiling will only be attainable under a more diversified financial system. That, I think, is also an important point to make.

That said, Mr President, I now turn to the content of the report which is before the House. In essence, it is a list of questions asking for further information on some of the ideas which the Commission has put forward. I will do my best to provide such further clarification as I can on the various points raised, but some of them can in effect only be answered when we present our concrete proposals in early May. The proposals will have to speak for themselves. Others pose, by their very nature, subjective or value judgments on which it is simply not possible to offer a quantified statistical response. For example, the first and third questions in Mr Arndt's report ask the Commission to clarify or define the notion of a well-balanced budget and judgments of budgetary imbalances and unacceptable situations for a Member State. None of these phrases, which Mr Arndt himself has employed and which are incorporated in a host of parliamentary resolutions, is a numerically measurable concept, and it is therefore

difficult for the Commission to supply a simple, numerical reply. The Commission has always argued that the budget by itself cannot provide an accurate measure of the costs and benefits of Community membership; but this does not mean that, because other considerations are of importance, budgetary aspects are not without their significance.

The Community, like any other successful political entity, must be in a position to convince all its citizens that no one is being required to carry intolerable burdens and that no one is getting disproportionate benefits. We need to be able to convince all our citizens, wherever they may happen to live. If a political consensus can be achieved on this point, the arguments about national balances, unacceptable situations and all these other phrases which have caused such pain and grief and such difficulty to us, to Parliament and perhaps even indeed to the Council, we shall be able to put behind us and get on with the essential task, the priority task, of actually building the Community on behalf of the citizens of the Community.

The concept of balance is a political judgment and, indeed, Parliament itself has had no difficulty in using it in that way. For example, a recent resolution of Parliament has stated:

The European Parliament, aware of the present imbalance within the budget, considers that the financial imbalances which characterize the present situation and the burdens which they place on certain Member States are a serious problem. It maintains the views that a fair and balanced budget can only be achieved by a fundamental reform of the Community budget.

Parliament has been able to make political judgments and political statements of that sort without requiring interpretation from the Commission as to their meaning, and I am making a similar political point.

The second question asks the Commission to consider replacing the present method of calculating net contributions by a method incorporating both the calculable economic and financial benefits of the European Community and the real burden. The Commission could certainly do other calculations along the lines suggested. We could, for example, calculate the relative shares of Member States in intra-Community trade — what proportion Germany, France, Italy, the United Kingdom has, and so forth. Or we could calculate the nonbudgetary costs borne by individual Member States in importing agricultural products at prices above those prevailing on world markets. But I have to say, Mr President, that it is doubtful whether such calculations would be more objective than those which we already have, and they would certainly be far more open to dispute than the ones currently carried out. The more sophisticated the calculations, the more variables would need to be included. Were we to do what is suggested, we should, I fear, enter into a never-ending debate on the activities to be considered and the relative weights to be accorded to each.

Tugendhat

Many times in the past Parliament and, indeed, individual parliamentarians have urged the Commission to get away from the concepts of national balances and national advantage and national disadvantage and national gains and national losses; and I really cannot believe that a further widening of the argument about the gains and losses inherent in Community membership would at this stage be desirable. It would certainly run counter to the injunctions that Parliament has laid upon us in the past.

This is not say that the Commission considers the present method of calculating net contributions to be perfect or indeed immutable. Any such calculations are always open to technical improvement. Still less, of course, does it imply that our own calculations purport to show the overall costs and benefits which membership of the Community brings. Our aim for the long term is to reach a situation where Member States will no longer think it necessary to calculate resource transfers through the Community budget, but so long as those calculations are required, we believe that the methodology we currently use is the most reasonable. I wish to emphasize — and I hope that parliamentarians will listen carefully to what I say — that our aim for the long term is to reach a situation where Member States will no longer think it necessary to calculate resource transfers through the Community budget.

I now turn to the fourth question, which asks whether the Commission can draw up a list of Community expenditure items compared with those in one or more Member States. I am not quite sure what the operational value of such a comparison would be. National budgets are not prepared on an identical basis, nor on the same basis as the Community budget itself. There are, moreover, national expenditures carried out at the regional level. These difficulties do not, of course, exclude the establishment of such an inventory. They would, however, mean a large-scale operation which was heavily dependent upon the willingness of the Member States to furnish breakdowns of their expenditure in sufficient detail and probably upon assistance from national experts. Clearly, such a task would require considerable time and cost. Before embarking on such an exercise, it would be essential to define very precisely its objectives. Whether, for instance, the aim would be to identify specific items where duplication existed or to identify programmes best suited for Community financing alone.

The fifth question asks the Commission to draw up a binding timetable for the final abolition of temporary exemptions in the value-added tax system. The Commission could draw up a timetable but would advise Parliament against this line of approach. There are a number of reasons for this. First of all we must distinguish between, on the one hand, the transitional freedom for Member States to choose between methods A and B in calculating their VAT payments and, on the other, derogations they enjoy from the sixth VAT

directive to depart from the directive in taxing or not taxing certain goods or sectors.

As regards the methods for calculating VAT payments, the Commission, I must remind Parliament, is already committed to making a report by the end of 1984 — a date which Parliament itself proposed and a date to which we shall adhere — on the basis of which a definitive choice between the two methods should be made. Parliament has laid down a timetable, we shall stick to it.

As regards derogations from the sixth VAT directive, Member States' VAT payments are already corrected in respect of these derogations, so they do not impair the own resources system. In any case, as Mr Arndt rightly said, many of these derogations are of extreme political sensitivity in individual Member States. The Commission will continue to work for their abolition, as our recent report on the operation of the derogations showed. But two caveats need to be made. First, abolition of these derogations should keep in step with the general evolution of economic and political integration. Secondly, bearing in mind the ratification procedure required to introduce new own resources, it would not, in the Commission's view, be prudent to include any provisions for terminating such derogations in the own resources proposal. To do so would greatly complicate the issue and would, I fear, make still harder the obtaining of new own resources in sufficient time to avoid crises in the common agricultural policy and in other Community policies.

The sixth question asks for quantified examples to be given in respect of a system of financial equalization where, for example, only Member States with an above average GDP per capita should be taxed through the value-added system or a special levy.

I suppose, Mr President, that a system of VAT modulated by reference to GDP per capita, as mentioned in Amendment No 20 by Mrs Castle and others, could be regarded as a kind of financial equalization system, although the Commission has not so far regarded it in that light.

Progressivity calculations could, of course, be readily carried out where VAT would be modulated for those Member States with above average GDP per capita. The results would, of course, depend on the weighting factors applied. One could, for example, work on the hypothesis that a country with 125% of average Community GDP per capita should have its VAT payments increased by 25%. The figures concerned can be easily calculated by reference to published Community statistics. There is no need for me to quote them now in full. I might only observe that one consequence of such an arrangement would be a dramatic increase in the contribution paid by the Federal Republic of Germany. I must also point out to Mrs Castle that it would not have any significant impact on the contribu-

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tion of the United Kingdom, which may possibly have been in her mind.

Question No 7 asks for details of the idea of a tax on the Member States linked to agricultural indicators. In this connection, I should like to try to dispel some of the misunderstandings which are apparent in, for example, Amendment No 2 tabled by Mr Baillot and others. The underlying purpose of such a tax would be to establish, as our Green Paper makes clear, a better coherence between the pattern of expenditure through the Community budget and the pattern of revenue. At the moment we have a generalized system of income based notably on the consumption-based VAT but a particularized system of expenditure, whereby about two-thirds of the budget is devoted to agriculture. It is, of course, this incoherence, this political imbalance which is at the root of some of the Community's budgetary imbalance problems.

The amount of revenue to be generated by the new tax which we envisage could be determined on the basis of the percentage of Community expenditure represented by agriculture and its incidence in individual Member States in accordance with indicators related to their agricultural production. The tax would be levied on the economies of the Member States as a whole in a way similar to that in which the current VAT arrangements are applied, and the revenues which it generated would be available to finance the whole of the budget just like the revenues from VAT, customs duties and the existing agricultural levies. Consequently — and I want to emphasize this point to Mr Früh and to the people who supported his amendments — such a tax would be no more of a particular burden on the agricultural sector, on agricultural trade, on farmers or indeed on consumers than is the current VAT system of Community finance. There would be no separation of the financing of agriculture from the financing of the rest of the budget and certainly no element of rationalization of agricultural policy or any undermining of the basic principles of the CAP. As I made quite clear at the outset of my speech, our proposals are designed first and foremost to safeguard the *acquis communautaire*.

Nor, as paragraph 7(a) of the motion for a resolution seems to imply, would the introduction of such a tax imply a maximum permitted level of agricultural expenditure. To the extent that expenditure in the non-agricultural parts of the budget expanded, the receipts from the agricultural indicator tax would decline and subsequently disappear completely once the proportion of agricultural expenditure no longer exceeded the percentage chosen. A further point, Mr President, which I wish to emphasize is that account should be taken of the situation of certain Member States whose general level of prosperity is low but whose economies are particularly dependent upon agriculture.

As regards some of the other more specific questions in the resolution about the way in which the tax might

apply, for example, the reference to products considered to be in structural surplus, the basic data are readily available in Community publications. I would refer honourable Members notably to the document entitled *The agricultural situation in the Community for 1982* which sets out tables in respect of all the main products concerned.

The last question, in paragraph 8 of the motion for a resolution, asks the Commission to provide detailed information on a possible tax on hydrocarbons and on the importation and consumption of energy. This question may have been prompted by recent developments in the oil market which occurred mainly after the Green Paper was published. The Commission will certainly have to look at the matter again in the light of this new situation. There are obvious attractions in the idea of a Community tax on energy, provided — and I emphasize this point — it helps to secure sound energy policy objectives. This is a key point. We need to be quite clear that our budgetary and energy policy objectives go and would continue to go in the same direction. Certainly our energy policy is to reduce dependence on imported oil, and a tax or duty on oil clearly goes in that direction. None the less, I think it is fair to say at this stage that whatever the attractions of a tax on hydrocarbons and on the importation and consumption of energy, it would not be right for the Community now to consider making this a central feature of the future financing of the Community.

This, Mr President, is all that I think I can usefully say at this stage on the Commission's behalf in response to the questions listed in Mr Arndt's report. The Commission intends, as I have made clear, to bring forward concrete proposals in early May on which Parliament will be able to express a more substantive opinion. I would therefore repeat to the House what I said at the beginning. The future financing of the Community is a matter of fundamental importance. We must try to develop our own resources system. In our view, all the ideas which we have so far put forward are fully consistent with the own resources system in a way which, to the maximum extent possible, removes the system from the realm of day-to-day political controversy and enables us to concentrate our attention and our energies on the development and creation of policies which are required to carry the Community forward. We need a financing system which is fair and balanced and which commands support throughout the Community. In practical terms we need in the short run proposals which can obtain ratification in the ten parliaments of the Member States. As this Parliament knows better than anyone else, if we do not secure more own resources the Community will in the longer term wither or regress. To obtain those own resources, however, hard political choices will be necessary.

I ask the Members of this House, to whom we look for support in considering over the next few months the proposal which the Commission intends to bring forward, to remember the wider political background

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and to judge the ideas which we will table in *bonne et due forme* in the context of the interests of the Community as a whole.

(Applause)

IN THE CHAIR: MR VANDEWIELE

Vice-President

Mr Saby (S). — (FR) Mr President, my dear colleagues, as far as the Commission's Green Paper is concerned, the European Parliament has on many occasions called for an examination to be made of the own-resources system and, more generally, of the basis on which the Community budget is financed. In this connection, this Green Paper seems to us to be a partial preliminary reply. For this reason the interim report by our colleague Mr Arndt fits well, as regards both substance and form, into the calendar for examination of this problem since, as we have just been reminded, it is not until next month that concrete proposals are to be put to the Council.

With regard to substance, no-one will deny that there is an urgent need for a thorough debate and political decisions vital to the future of the Community. The Commission itself anticipates that by 1984 own resources could have fallen below the level required to finance the existing common policies. Should this prove to be the case, the *acquis communautaire*, and the common agricultural policy in particular, would be in jeopardy.

At the same time, the problem of the United Kingdom's contributions can no longer be dealt with in isolation, even on a transitional basis. This is the position stated repeatedly by this House itself.

The accession to the Community of Spain and Portugal is now becoming a political necessity recognized by all. This enlargement cannot be carried through without a re-examination of own resources and a raising of the VAT ceiling, of this we are convinced; the very feasibility of the Community of Twelve depends on this.

Again, it is clear that this analysis must be conducted with a view to achieving the budgetary rigour and balance that the Parliament too has called for and which today's States are having to maintain.

As regards form, it is only natural that Mr Arndt's report should ask questions seeking very clear definitions both of terminology and of technical and financial indicators. I have to say in this regard that Mr Tugendhat's initial replies have not satisfied us;

there are various points in our questions which have not received satisfactory replies — or at least not yet, although we trust that they will be forthcoming.

We also have the impression that once again an attempt has been made in our institutions to use budgetary and financial techniques to solve the political problems to which we have repeatedly drawn attention. This is something of a case of putting the cart before the horse. We have had no detailed discussion — and nor has this Parliament — of the course that could be taken in new policies in the fields of social assistance, the Regional Fund, or industry, and the fact is that the Community budget, on the industrial side, does not meet the real demands of the current crisis.

We are also rather putting the cart before the horse in seeking to refine the financial instrument when we have not yet made a serious effort to undertake what everyone is hoping for: an update, or indeed a reform, of the common agricultural policy.

We consider that we have reached a point at which there are questions to be asked. The question that we have to ask is: what financial resources are to be provided for what policy? This is where the problem lies. It should be remembered that Mr Jacquet drew up a report on reflation on behalf of the Socialist Group which would have given us an opportunity to debate these matters as a preliminary to this technical and political debate on finance. What policy can we make together now, with ten Member States, and in future with twelve? What changes can we make in the common agricultural policy? Unfortunately, we are discussing finance before having defined the policies.

However, this debate has not yet taken place, despite repeated calls for it, including one between the lines in the mandate of 30 May. We hope that it will come and, moreover, that the context will be right, since, whatever the policies that we define together, whatever the instruments that we refine in the interests of greater efficiency, we shall be able to use them to good effect only if the European Monetary System becomes established in the world, as an equal partner with the international monetary system. If we want these instruments to be useful and usable under optimum conditions, we shall also need to make very rapid progress, through our political debates, towards unity of the common market, which we have unfortunately not yet achieved.

It is for these reasons that we find Mr Arndt's report thoroughly judicious and expect the Commission to provide precise answers so that discussion can continue and progress can be made in decisionmaking. My dear colleagues, the Socialist Group will accordingly be voting in favour of Mr Arndt's report and invites you to do likewise.

Mr Adonnino (EPP). — (IT) Mr President, ladies and gentlemen, Mr Vice-President of the Commis-

Adonnino

sion, the so-called 'Green Paper' on methods of financing the Community is frankly a disappointing document.

Despite the importance of the problem, which is unanimously recognised, and the fact that it has been raised again — first in connection with the answers to the mandate of 30 May and later in relation to the enlargement of the Community to include Spain and Portugal — and despite the undertaking given by the Commission — yes, Mr Tugendhat, the undertaking given by the Commission — a document has been produced which makes the Commission look like a European Community 'Studies Office'. In point of fact we are talking about only one study, and that, moreover, inadequate. It contains ideas and observations that are undoubtedly interesting but too superficial to elicit sound judgements or force people to relate them to the other problems — those regarding expenditure, as Mr Saby has just reminded us. Neither are they backed up by any quantitative data, which are also necessary.

This attitude not only makes the work of the Committee on Budgets more difficult but also raises again, in the view of the Group of the European People's Party, the question of the relationships between the Institutions of the Community and the role that each should play. This is the most important political factor.

Once again the Commission, in our view, has failed to exercise — it will do so in the near future, we are told — its own right to propose, which means making decisions and giving reasons for them, thus acting as the driving force behind the Community's progress; it is trying instead to start discussions and sound out the opinions of Parliament which, moreover, has already made its views known on the question, as the rapporteur has already reminded us.

In this situation the Committee on Budgets has preferred to let its own contribution — one that is full of political significance, moreover — take the form of a draft interim resolution, designed in effect to stimulate the Commission to obtain whatever further details and clarifications may prove necessary for its own decisions.

Of course, Commissioner Tugendhat tried this morning to give an answer, but I have to say that it in no way satisfies us. We do not think that this half-hour speech fully disposes of the matter. What we expect from the Commission is a very much more complete answer that will enable us to express a definite opinion on its proposals. For the time being, we reserve our judgement.

It is in the light of these observations, ladies and gentlemen, and with these objects in view, that the Group of the European People's Party supports the motion for a resolution that has been put forward. If the problem of the future financing of the Community is to be

dealt with in a comprehensive and — hopefully — lasting manner, Mr Commissioner, some fundamental questions must naturally be clarified. When we speak of budgetary imbalance, 'unacceptable' situations, so-called 'net contributions', it is essential to state precisely when and why we consider these situations occur and what form they take. And this raises the problem which you also have mentioned and which we have tackled in a very precise manner, i.e. the problem of the basis for our calculations, which cannot be financial alone, even though that is the simplest and most precise method, but must also be economic. Economic, that is, in terms of direct and indirect advantages and disadvantages, costs and benefits, even though, as we know, quantifying these is something of a chancy business. Only in this way can we hope to be progressive, applying the principles of equity and financial equality and differentiating carefully in advance between resources, so as to make differentiation possible in relation to expenditure. In this way the problems can be resolved without running the risk of a return to the contributions system.

Another point in the Green Paper which, despite the clarifications we have had this morning, is difficult to understand — at least with things as they are at present — is the question of possibly achieving budget equilibrium between agricultural expenditure and other expenditure by means of a levy, based on agricultural indicators.

In my group we are very uncertain, and wonder whether it is correct to call such a levy an own resource. Amongst other things, this would place part of the cost of the agricultural policy on the shoulders of the country most advantaged by that policy. And that might also be right. But it has still to be proved that whoever has received most benefits is any the less deserving of them. And since this is not normally the case, the result could be an upheaval, a reversal of the very principles of the agricultural policy, in quite the opposite direction to that indicated a short time ago by Commissioner Tugendhat.

The diversification of resources, which we all want to see, is undoubtedly not easy. For this reason we need more information! The taxation of consumption or income on a generally applicable basis is hampered by lack of harmonization. The possible taxation of specific activities and policies might be of more interest, but it would be necessary to resolve the question of how this type of resource should be allocated. And this is all information that we lack.

Ladies and gentlemen, time is unfortunately very short, and the question ought really to be dealt with very fully. This we propose to do on a subsequent occasion. One thing is certain: the resolution, which we shall support, even though we have certain reservations about it, is full of political significance, to which I hope the Commission will be receptive. If so, it can

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then call for the help and support that Commissioner Tugendhat has asked of us.

Mr R. Jackson (ED). — Mr President, speaking on behalf of my group, could I say how much we regret the form that has been taken by the Arndt resolution. After all the Parliament's strong language to the Commission about the need for early and specific proposals for a long-term solution to the budget problem, it is deeply unsatisfactory that Parliament's contribution to the Commission's thinking at this crucial stage should consist merely of a series of questions designed simply to enable us to avoid expressing a clear view on the issues at stake.

However, Mr President, perhaps it is better to have a series of questions rather than a series of negatives, and that is why we will be supporting this resolution of Mr Arndt and why we have put down no amendments to it.

There is, if I may say so, Mr President, a wider moral in this situation. Parliament must be careful that its role in the Community's deliberations does not become simply that of a 'spoiler' — the institution which will always say 'no' and never say 'yes'. It is one thing to be willing to diagnose a problem — which this Parliament is always willing to do — but it is another to be willing to assume the responsibility for finding a solution to that problem. Looking at Parliament's record, and particularly at the vote last month, I am not so sure that we are yet capable of rising to the level of that responsibility.

Mr President, I see two different lines of approach towards the problem of budgetary imbalances in the Community.

The first is the approach set out in the Commission's Green Paper. Its underlying principles are simple: the Community's revenues should be related to the taxpayer's ability to pay — this is the idea underlying the proposals for a progressive VAT key. And the cost of financing Community policies should be borne in some degree by those who benefit from those policies. This is the idea underlying the proposals for a new Community own-resource based on indicators of agricultural output.

Mr President, this approach commends itself to my group. The principles that the burden of public finance should be related to capacity to pay, and to benefits from the resulting expenditure, are the elementary principles which underlie the fiscal systems of the entire civilized world. Their introduction into the Community budget is long overdue.

Let me say a word in particular, Mr President, about the proposed agricultural own-resource. Ever since the Commission launched this concept, we have heard a great deal from colleagues whose countries benefit

from the present arrangements about the undesirability of such an innovation because it would — so they say — 'renationalize the CAP'. Mr President, my group cannot agree with this complaint. We all know that agricultural policy in Europe has never yet in fact been denationalized and that it has never been anything more than only partially a Community responsibility. Our good friend, Mrs Barbarella, is writing a report for the Committee on Agriculture on national aids, and she has noted that in 1978 they amounted to 13.6 thousand million European units of account, as compared with Community aids of 6.9 thousand million units of account.

Moreover, Mr President, we also know that some Member States pay more, much more, than others in respect of national aids to agriculture. I have here some figures for 1980 which show that in the Netherlands national aids amounted to some 700 ECU per hectare, compared with about 250 ECU per hectare in France, and only 120 ECU per hectare in Germany and 70 ECU per hectare in Britain.

There is in fact, Mr President, a distinct co-relation between the level of national aids to agriculture in a given Member State and the size of its agricultural output and, therefore, the size of its profits from the Community's budget.

Dare one say that certain Member States deliberately manipulate national aids so as to maximise national agricultural output, whose disposal they know will have to be financed by others through the Community budget?

So, Mr President, let us hear no more about the renationalization of the CAP; let us have some recognition instead of the way in which the Commission's proposed new agricultural own resources' tax could strengthen the Community character of the CAP by obliging those Member States who abuse the present system to face up to the real costs of their payments of national aids to agriculture.

Mr President, I said that we are faced with two different approaches to the solution of the problem of budgetary imbalances. My group favours that adopted by the Commission. Indeed, it would prefer it to the alternative approach which seems to be developing in the Council, the approach which addresses the problem primarily through financial and budgetary mechanisms of the kind with which we have become familiar since the Dublin Agreement of 1975.

Since these ideas for budgetary ceilings, for special maximum rates, and for that new French phrase '*écrêtement des soldes*' — a new French phrase for that old French policy of *juste retour* — do not feature explicitly in the Green Paper, it would not be appropriate for me to say more about them at this stage.

Let me only say this about them, Mr President. The reason why they are attractive in the Council is pre-

Jackson

cisely the reason why we in the Parliament should be suspicious of them: for by dealing with the problem of budgetary imbalance exclusively as a financial problem, they tackle only the symptoms of our malady and they leave undisturbed the policies which are its fundamental cause.

And, Mr President — I conclude — as far as this group is concerned, there can be no solution to the budget problem, least of all a solution which involves more money for the Community budget, until those policies have been brought under control and rendered more cost effective.

(Applause)

IN THE CHAIR: MR ESTGEN

Vice-President

Mrs Barbarella (COM). — *(IT)* Mr President, as has already been pointed out, Mr Arndt's report has not taken up any position on the Commission's 'Green Paper' but simply asks for an analysis in greater detail and more information.

In our view it would be difficult to reject Mr Arndt's requests, some of which seem sufficiently obvious to us whilst others — I think — will be very difficult to meet. But it also seems totally inadequate to us to restrict Parliament's contribution — even though this is only an interim stage — to simple requests for information on basic questions, regarding which it is not so essential to have further technical clarification as it is to take clear political decisions.

There are, in our view, two points on which Parliament should have given clear answers to the Commission, instead of asking for information.

The first concerns the question of increasing the Community's own resources. It is true that the European Parliament's position has been stated many times, but we think it not without political significance to emphasize again, today, Parliament's decision in favour of an increase in the rate of VAT.

In the 'Green Paper' the Commission maintains that for the immediate future VAT must remain the backbone of the financial independence of the EEC. In our view, therefore the Commission should be urged most emphatically to present immediately concrete proposals on the amount of increase in VAT and the relevant procedures, and should at the same time be reminded, Mr President, of its serious delays, for which there is absolutely no excuse. It is in fact surprising — if the Commission is convinced of what it

says in the 'Green Paper' — that it has not yet presented proposals, and instead presents us for the umpteenth time with statements and memoranda.

The second point on which we thought it necessary for Parliament to make its position absolutely clear — and I emphasize 'clear', Mr President — is the proposal contained in the 'Green Paper' for an agricultural levy to reduce the impact of expenditure in this sector on the overall budget. We think that the Commission is attempting, by means of this proposal, to defuse the drifting mine that is the CAP, as far as the Community budget is concerned. From some points of view this attempt may even appear a clever one, even though, in our view, it provides no solution to certain national situations of imbalance, seeing that the results that might be obtained by the cross-section of parameters proposed by the Commission could, in the extreme, prove useless in furthering the aims that it is intended to achieve.

Apart from this we believe, however, that the Commission's proposal is very dangerous, because it undermines a number of important principles of the Community and, on the other hand, does not appear in any way to provide solutions to the basic problems of the common agricultural policy, which cannot be dealt with through the budget but must be tackled by making well-considered alterations to Community regulations, so as to absorb, on a lasting basis, the surpluses that are at the root of excessive agricultural expenditure.

It seems to us also — and this is very important — that with this proposal we would still remain caught up in the 'debits and credits' machinery of the Member States, the 'net contribution' machinery that the European Parliament has instead said many times over it wants to get rid of. Taken overall, Mr President — and I am about to finish — we are unable to avoid the impression that the absence of any answers to the two questions that I have indicated conceals, in fact, a certain ambiguity — in other words, there is a desire in some way to make any increases in own resources dependent on the acceptance of a reduction in agricultural expenditure or, going a stage further, the aim is simply to reduce agricultural expenditure.

In our view, these two processes must go hand in hand.

Because, therefore, of this lack of clarity that we find in the interim report of the Committee on Budgets, we shall abstain from voting on this document.

Mrs Scrivener (L). — *(FR)* Mr President, my dear colleagues, in thanking Mr Arndt for the speed with which he has produced his report, I should like to express our surprise at the form that it has taken.

Some weeks ago the Commission presented to us a Green Paper in which it envisaged a number of hypotheses for the future financing of the Community.

Scrivener

The Commission was no doubt expecting — with justification — that Parliament would express specific views on the various possible courses. Rather than state its opinion, Parliament has to a degree shirked its responsibilities by doing no more than ask the Commission a series of questions, even though we know — and this point has not yet been made as far as I am aware — that the answers will be given after the Commission has presented its concrete proposals for the financing arrangements. One may well ask whether this is not a totally absurd situation.

One thing at least is certain: this is not an interim report, since logic demands that such a report would have to be followed up by a final report drawn up in the light of the Commission's replies. One of our amendments accordingly calls for deletion of the word 'interim' from the first paragraph of the motion for a resolution.

Having been presented with this situation, we have attempted to remodel this text to some extent by means of the series of amendments that we have tabled. We have thought it best to concentrate on reaffirming two important principles, the effect of which in practice is to provide the Commission with the framework within which to formulate its proposals.

The first of these is the rejection of any method of financing which would lead to a return to the use of national contributions, which would set us back several years. This is also why we cannot support paragraph 7, which could give the impression that Parliament accepts a ceiling on agricultural expenditure.

The second is the rejection — often repeated by us — of any solution involving reference in one form or another to the *juste retour* concept. This makes it clear that some of the suggestions proposed by the Commission cannot be accepted.

The next point that we make is that it is essential, in our view, to refer explicitly to Parliament's conclusion — reached in 1981 — that raising the VAT ceiling above the 1% limit is still the most appropriate solution for the short term, in political, institutional and administrative terms. Indeed, the Commission comes to a similar assessment of the situation in its own document.

Finally, there are two more specific amendments whose purpose is to take the tendentious tone out of the questions concerned. Mr President, my dear colleagues, we accordingly invite the Commission to submit its proposals in the light of these points.

As for voting on this motion for a resolution, we shall be able to support it only if the Liberal Group's amendments are adopted, otherwise we cannot agree to it, for the various reasons of form and substance that I have just outlined.

Mr Ansquer (DEP). — (FR) Mr President, my dear colleagues, this debate marks the starting-point of crucial deliberations on the future of the Community. Mr Arndt's report has the merit of raising the vital issue of the future financing of the Community, but it unfortunately does so very ineptly.

We genuinely welcome the opportunity to discuss this most important issue, at a time when the schedule for enlargement is becoming clearer while on the other hand own resources are running out. However, we find it unacceptable that the debate should centre on a questionnaire from the Parliament to the Commission, since the problems involved are so far-reaching that they cannot be dealt with according to the strictly budgetary approach adopted by the Arndt report in order to identify and even circumscribe them. Our main objection, however, is to the line taken by the rapporteur.

What is Mr Arndt proposing when he asks for a percentage figure for agricultural expenditure as a proportion of the overall budget corresponding to a well-balanced budget? The rapporteur is in fact proposing the imposition of a ceiling on agricultural expenditure and its corollary, partial renationalization of agricultural expenditure, the effect of which would be to dismantle the common agricultural policy. The budget is not the proper medium for making or unmaking policies.

Do you not agree, my dear colleagues, that, on the contrary, Europe's progress must be based on the *acquis communautaire*. Yes, we accept that improvements are needed in the machinery of the common agricultural policy. But new policies cannot be built on the ruins of the common agricultural policy.

Mr President, my dear colleagues, this House seems to be under some sort of spell which makes it automatically think in terms of calling in question the common agricultural policy and reducing agricultural spending whenever it discusses the future financing of the Community, new policies, or remedies for budgetary imbalances.

Mr Arndt's report fails to avoid the trap of adopting this malthusian approach inherited from the Mandate of 30 May, as though other, bolder courses were not available. The Council must have the courage to tackle the national parliaments, and we say this quite categorically. The solutions lie in a moderate raising of the Community VAT ceiling and in the creation of new evolutionary resources which are broadly based but have only a very limited impact on the consumer, such as a tax on energy consumption. We should be exploring such possibilities if we intend to find appropriate constructive answers to the problem of the future financing of the Community.

Mr President, my dear colleagues, we have made a very careful study of Mr Arndt's report and find that it

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proposes a turning in, a turning back, whereas the European Parliament has constantly reiterated its determination to move the Community forward. This is what we want to see, a reaffirmation by Parliament of this determination.

Mr Bonde (CDI). — (DA) Mr President, I should like to begin by asking the Commission whether Agriculture Commissioner Poul Dalsager voted against the Commission's Green Paper on the future financing of the Community. I would also ask the Commissioner for Agriculture to give a clear indication that he does not intend to sit as a Member of a Commission which would have to put forward concrete proposals on the financing of the Community's expenditure by the taxation of the Member States' agricultural production. You would have to look hard to find the like of such arbitrariness! Why penalize the people who produce the food for our daily sustenance? Why penalize the people who, to start with, have incomes far below the average? Why penalize the Danish farmers, who today only earn half of what they earned in the days when they dreamt of the high prices within the EEC? Why penalize the countries which have sunk billions of investment capital in agricultural production in order to become stable food suppliers, when those countries would have drawn far greater benefit from investment in industry? Why penalize those countries which, by investing in agricultural production, have from the outset taken on a heavy burden of foreign exchange and employment problems, whereas by investing in industry they would have achieved a much greater return in terms of foreign exchange and employment? Rather than tax countries according to their agricultural production, it would have made much better economic sense to tax them according to their industrial production. In that connection I would ask the Commission to supply precise figures indicating, for example, the advantage to West Germany in having duty-free access to the markets of the other countries, to West German firms in being able to buy up the firms of other countries, of the advantages involved in being able to butcher Danish production undertakings and turn them into trading companies selling, for example, goods produced in Germany. The whole argument over who is a net beneficiary and who is a net contributor rests on false premises, because only a very small proportion of the countries' advantages and disadvantages can be read from the budget. Denmark, for example, has 4% of the EEC's agricultural production, but we receive 8% of the export refunds. Export support goes into the budget. It is an advantage to the EEC treasury that Danish farm products can be sold in third countries rather than end up on the Community's surplus mountains, but for Denmark the economic advantage would be exactly the same if instead we sold the produce to other EEC countries. It would most certainly be a disadvantage to the Community treasury, but Denmark would come out of the muddled net-values discussion as a net contributor rather than a net beneficiary and thus be in a much

stronger position to meet the agricultural punitive expedition which is now apparently on the way.

While contributions to and receipts from the Community budget do not give an indication of the advantages and disadvantages overall, the annual figures may possibly say something about the trend in advantages and disadvantages. In 1982 we got out 1 415 million kroner more than we paid in. In 1978 we got out 4 355 million kroner more. At constant prices therefore Denmark's so-called exchange advantage had fallen by 1982 to one-fifth of what it was in 1978. And when the Community is extended to include new Member States, Denmark, according to this method of assessment, will change its status from that of net beneficiary to that of a net contributor, and that will happen even sooner if the Commission succeeds in cutting back the level of support payments and in introducing taxation on agricultural production. But since the Commission has now singled out the farmers as the taxpayers, I would suggest that assessments be prepared for tax systems based on trading surpluses or on even more arbitrary criteria, such as the number of people who wear berets, tartan ties or brown leather shorts and braces.

Mr Pasmazoglou (NI). — (GR) Mr President, I would like to say that I agree with the direction taken by Mr Tugendhat in his speech and with his technical analysis, and straight away this leads me to make three observations.

Firstly, that it is very difficult to place a value on the benefit each country derives from the European Community, and that therefore the persistent assessment of national balances with regard to the budget is not a sure guide. On the contrary, I believe that the economically powerful countries reap great benefits from the Community, even though they make large contributions and are in deficit in the sense that they pay out more than they recoup. This is a basic truth which I think we should always bear in mind.

My second observation is that an increase in the Community's own resources is absolutely essential. In consequence, we should not link this with other matters which must be considered as being, so to speak, at a preparatory stage. If the Community is to respond in full to its mission, it is essential that its budget be trebled, and this is what we should be aiming for. If we do not raise the budget from around 0.7% of the Community's overall domestic product to around 2.5%, it will be impossible for it to fulfil its mission. Such an increase is dictated by the interests and needs of our peoples.

My third observation is as follows: I do not think it is procedurally possible for us to come to complete agreement about all of the policies which will be implemented by the Community. There are some general lines of policy where we all agree — I will not

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mention them. The common agricultural policy must be retained and national aids must be cut back and eventually stopped. Of course, the agricultural policy needs modifying, and here I want to stress the great importance we Greeks attach to the bolstering of Community preference for Mediterranean products. But there is also a need for the regional policy to be strengthened, and this is related to matters of that sort. What is particularly necessary, however, is for the Community's own resources to be increased, and I think the lines of approach presented today by Mr Tugendhat are in accordance with our own thoughts and aspirations.

Mr Protopapadakis (PPE). — (GR) Mr President, the programme put forward by the Commission in the so-called Green Paper paves the way for interesting developments in the Community. Putting aside its advantages and shortcomings, I want to express doubt about whether the administrative mechanism of the Commission is capable of implementing such a programme. I think it is necessary from today onwards for the Commission to embark on a monumental effort to cast off the laxity which characterizes it. First of all it must apply to itself the financial discipline which it seeks from Member States in the Green Paper. I have put down an amendment to this effect. If the Commission does not put its house in order so that it can react promptly and effectively to the needs of Europe, then — to use a biblical metaphor — the Green Paper will become a green patch on a worn-out grey cloak and will not win the support of the people of Europe.

The citizen who pays, who gives money out of what he earns by his labour, wants in return stability and hope, and for these to be realized we must start first of all with the Commission itself by putting right its administrative mechanism.

Mr Baillot (COM). — (FR) Mr President, this is not the first time that we have discussed the financing of the Community in this House, but on this occasion it is a particularly serious matter as Europe stands at the crossroads. There may not be enough resources to finance new common policies, let alone enlargement.

The time has therefore come for a fresh start, on a new, more realistic and healthier basis. The institutional stampede which dominated the debate on the Spinelli report on own resources in January 1981 is no longer topical. Moreover, the report of the Committee on Budgets is much more cautious and balanced: it does not propose solutions, but asks questions of the Commission. It is true that clarification is called for on some points, if only to dispel the vagueness of the Green Paper, and on behalf of the French Communist and Allied Members, I should like to ask a few questions and express certain misgivings.

First of all, I see that the Commission gives no undertaking on the ending of the financial compensation

granted to the United Kingdom, which must be ended. At the same time, clarification of what constitutes an 'unacceptable situation' is needed. Can the process of European unification be assessed purely in terms of budget transfers? Only if a basis for calculating net contributions can first be agreed.

What is the justification for allocating customs duties and levies to the Member State where they are collected, when the place of collection is not necessarily the place of consumption? It may be easy to calculate the balance of costs and benefits of membership of the Community in budgetary terms but, as Mr Tugendhat acknowledges, it is harder, if not impossible, to measure the economic and social advantages or disadvantages. There are other factors, such as trade, capital flows and the common commercial policy, which are difficult to quantify but none the less fundamental aspects of membership of the Community.

To quote one example, the Federal Republic of Germany complains that it is a net contributor to the Community budget of over 10 billion ECU, or five times the amount of its net contribution.

The Commission has to take account of all these aspects and propose a fair financial mechanism which takes account of the need for solidarity with the least favoured regions and the least prosperous countries while at the same time making no special cases, and we are forced to the conclusion that this is not the course plotted by the proposals in the Green Paper.

Of the various possible mechanisms, the Commission clearly prefers taxation of Member States according to the size of agriculture as a proportion of the national economy, since it also envisages a correcting factor to be applied to the poorer agricultural countries. It is not difficult to work out who will be paying, by a process of elimination. We wish to make it clear at this stage that France would undoubtedly be among the countries having to bear most of the cost. According to our calculations — for what they are worth — if this method had been introduced in 1983, France would have had to pay an extra five billion francs into the Community budget (+ 25%), whereas the contributions of the United Kingdom and the Federal Republic of Germany would have been reduced by four billion and six billion francs respectively. We believe that this proposal from the Commission marks a serious departure from Community principles and should therefore be rejected. It entails a return to national contributions and is out of keeping with the spirit of the rules for the financing of the Community as set forth in the decision of 21 April 1970 on the own-resources system.

Despite the claims made by certain ill-intentioned persons, we do not see the budget as a fund for financial redistribution among Member States, but are in favour of the development of new common policies as long as they are not introduced at the expense of the CAP, in other words on the backs of the farmers, whom those

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same ill-disposed persons would readily consign to the dole queues.

There is in fact no need to wait for new resources before introducing new policies. A real impact can be achieved through the promotion of industrial cooperation or the strengthening of commercial policy without incurring major costs.

In conclusion, we also note that certain appropriations readily approved by Parliament are underutilized or not spent at all, and this in our view leads to considerable waste, which is difficult to understand at such a time of budgetary austerity.

With your permission, Mr President, may I apologize to the interpreters for the speed at which I have had to speak in order to get through what I had to say.

Mr Mouchel (DEP). — *(FR)* Mr President, as Mr Ansquer has just said, we welcome the opportunity of a debate on the financing of the Community, a vital matter, although the approach adopted in Mr Arndt's report is most questionable, as Mrs Scrivener has observed. Since we now have this debate, I should like to make a few comments on the aspects which concern the agricultural sector.

There is talk of a ceiling on agricultural expenditure and a tax on the total value of agricultural output or the value of agricultural products in which there is a structural surplus. In other words, yet another blow to the only real policy that we have in the Community, the common agricultural policy.

In the debate on the general budget for 1983, we were already being told that resources for combating unemployment would have to be found by cutting EAGGF appropriations. In the debate on future solutions to the budget problem and introduction of new policies, we are now being told that it will be necessary to scale down if not dismantle the common agricultural policy in order to release the necessary resources. However, if we deduct from the EAGGF budget all those things with which Community farmers have no connection, such as the derogations from Community preference, certain trade agreements and food aid, actual agricultural expenditure accounts for barely 45% of the budget, whereas at the same time Community preference is flouted.

The Commission stubbornly refuses to propose taxation of vegetable oils and fats, even though not all supplies are imported from developing countries. I would remind you, moreover, that when I presented my report on the fixing of farm prices, which was adopted by Parliament, there were those who protested at the cost, and I did indeed propose certain forms of expenditure, but I also called for revenues through the introduction of a tax on oils and fats.

What is the purpose of this latest attack on the common agricultural policy? Renationalization of agriculture, which, without the shadow of a doubt, would be a big step towards the destruction of what Europe is supposed to symbolize. If that is indeed the aim, it would be better if it were spelt out, because then we would really know where we stood in this debate. I am delighted that the Commission has stated clearly in its Green Paper that the continued role of VAT in the gathering of Community resources is acceptable. Nevertheless, the Commission should make clear proposals in specific, unequivocal terms for raising the 1% ceiling. This is urgent.

Finally, when the Commission brings its detailed proposals to us, it should indicate a framework containing the basis for a settlement of the issue of the United Kingdom's contributions. This matter must be resolved and my group will give careful consideration to all potential solutions, as long as they do not jeopardize the very principles on which the Community is founded and the only common policy that we have, the common agricultural policy, which my group will continue to defend.

Mr Lange (S), Chairman of the Committee on Budgets. — *(DE)* Ladies and gentlemen, may I make a few further comments. I get the impression in this debate that some Members are pretending that the report presented by Mr Arndt on behalf of the Committee on Budgets can be equated with decisions. We have been modest enough merely to request further details from the Commission. We have drawn no conclusions, and I must ask the Commissioner to give us this information and not to let the impression of obstructionism persist. This is a tendency which has been evident in the Commission for years. Mr Commissioner, Vice-President Tugendhat, be kind enough to provide information even on matters on which, to judge by your statement today, you believe you cannot give such information. I describe this as a strategy and policy of obstruction.

Unfortunately we have reached a stage in the Community's development at which it is impossible to tell whether the Community will still be intact tomorrow or the next day. What has slowly evolved at this stage is a growing tendency in all parts of the Community towards protectionism, towards national self-protection, a growing tendency to regard the Community as merely a clearing house as far as finance is concerned. So far, the Member States and the Council have still not done what Parliament has asked for again and again: make it clear what policies the Community can pursue, what policy areas the Community can take over, what policy areas must be financed by the Community and the Member States jointly and what areas the Member States should continue to be responsible for alone. If in future we want to pursue a sensible financial and budgetary policy on the basis of a sensible general policy, then the finances available to the

Lange

Community must be used reasonably and rationally, irrespective of the individual areas of policy.

(Applause)

We cannot afford to throw money out of the window, especially not in the present situation.

One of the Commission's most important tasks is to ensure the reasonable and rational use of Community resources by formulating the appropriate legal bases. The Commission has the right of initiative in respect of legislation, and if any results at all are to be achieved, it must also make proposals — whether it suits some people or not — which are compatible with the Treaties and do not virtually annual parts of the Treaties, as has unfortunately been the case over the years in consequence of a certain policy.

I would advise the Commission to muster the necessary courage to do this. Then you will have us on your side and then we will be able jointly to convince the Council and possibly even the Member States' governments of our case.

Every Member State knows that it cannot survive without the Community. The growing protectionism, the growing national egoism, the growing tendency towards a clearing house — the *juste retour* idea — would damage the Community, kill the Community and create considerable political difficulties for each individual Member State were this trend to continue unchecked.

Since we know this, it is our duty to counteract it, even if the individual states are not entirely in favour but think they can push their national egoism even further. They should in fact be unmasked by public discussion. For otherwise policies would no longer be pursued by Europeans but by people thinking on the basis of national categories.

Any security we still have today would then be halved, to say the least. I want to warn you against such trends. We have all experienced them in Europe. Think of the period from 1933 to 1945. We should do our utmost to prevent economic and social difficulties which we do not manage to cope with from leading to political developments which put us in situations such as those we had to experience, tolerate and suffer in the second third of this century. Some people in this Chamber may even have been actively involved in them. This must be prevented under all circumstances, and that is our advantage when we try to counteract such trends in national sectors and national governments. Then there will be a chance for the Community to continue to evolve.

(Applause)

Mr Tugendhat, *Vice-President of the Commission*. — Mr President, I agree profoundly with the speech

which Mr Lange made about the dangers facing Europe. Indeed, I was struck by the number of speeches from Members of several nationalities which were based on national balances and the *juste retour*. People from a number of surprising nationalities made speeches like that this morning. I must only say to Mr Lange and Mr Arndt that I have provided all the information that I am able to provide on behalf of the Commission at this stage and that I have tried to be as comprehensive as possible. The proposal, which I assure the House we will make, will, I hope, satisfy the House that at least it contains the necessary background, even if people do not actually like it, although I hope they will. I can assure the House that our proposals will be in accordance with our duty to be guardians of the Treaty as well as developers of the Community.

President. — The debate is closed.

The vote will be taken at the next voting time.

*(The sitting was suspended at 1.05 p.m. and resumed at 3 p.m.)*¹

IN THE CHAIR: MRS DE MARCH

Vice-President

5. Question Time

President. — The next item is the second part of Question Time (Doc. 1-116/83): questions to the Commission.

As the author is not present, Question No 46 will be answered in writing.²

Question No 47 by Mr Gontikas, for whom Mr Gerokostopoulos is deputizing (H-622/82):

Mr N. Keramidas was recruited on 15 June 1977 as a member of the local staff and has worked continuously until now; as the reports from his superiors in his personal file indicate, his work was considered first-class. His contract was terminated by the Commission as from 1 January 1983 without any reason being given.

Can the Commission state why Mr Keramidas was dismissed since at the same time four more offi-

¹ Topical and urgent debate (objections): see Minutes.

² See Annex II.

President

cial are being recruited as well as a large number of hourly-paid workers?

Mr Burke, Member of the Commission. — This is a matter which is presently being litigated before the Greek courts. Accordingly, the Commission does not feel in a position to comment on it.

Mr Gerokostopoulos (PPE). — (GR) I understand the Commissioner's reservation. However, notwithstanding this, I feel that he ought to reply to certain questions which are not related to the litigation taking place in the Greek courts. For instance, I would like to know if the Commission is aware that the temporary employee engaged to replace Mr Keramidas, about whom the question was asked, has lower qualifications than Mr Keramidas, who has a doctorate from the University of Graz, whereas his successor has only a high school leaving certificate?

I would also like to know if Mr Keramidas was barred from a competitive examination for the post on the pretext that he did not have the requisite experience, even though he had worked for five years in the Commission's Information Office.

Mr Burke. — I am aware of the matter raised in the first part of the supplementary question. I am afraid that, for the reasons given in my original answer, I am not in a position to go any further into the matter. It is not a question of any discourtesy to the House, it is simply the usual practice in cases which are before the court.

President. — Since they deal with the same subject, I call

— Question No 48 by Mr Moreland (H-697/82):

As at least one Member State has made it clear that it cannot accept the Commission's proposals if the maximum allowable gross weight is 40 tons and if certain axle weights are not altered, will the Commission now propose a fresh directive either in terms of a range of key weights and dimensions, determined by what Member States are prepared to accept, or in the form of model rules rather than a mandatory requirement?

and Question No 82 by Sir James Scott-Hopkins (H-11/83):

What additional resources does the Community hope to be able to commit during 1983 in the UK towards countering the adverse environmental impact of the 38 tonne heavy lorry?

Mr Contogeorgis, Member of the Commission. — (GR) The Commission's proposal to set a maximum

limit of 40 tons on gross lorry weights in the Community follows the opinion expressed by Parliament. It is intended as a compromise solution and represents what is possible and realistic in the Community at present. It represents what is achievable, given the economic and technical arguments and from the standpoint of environmental protection. So, although we recognize the difficulties to which the honourable gentleman has referred, the Commission stands firm on its proposal for a limit of 40 tons which is — as I have said — in accordance with the opinion expressed by Parliament. The Commission considers the harmonization of lorry weights and dimensions to be an important element in the common transport policy. Our proposal for a limit of 40 tons is currently before the Council, and it is up to the Council to arrive at a decision. As ever, of course, the Commission is willing to offer all the help it can to bring about an agreement.

Mr Moreland (ED). — While I recognize the difficulties that the Commission is labouring under with this particular directive, does the Commissioner not agree with me that it now seems unlikely, to put it modestly, that we shall have any agreement on the directive he has put forward, which he described as a compromise directive, and that therefore the Commission must work for other solutions to this knotty problem and perhaps present those solutions to the House?

Mr Contogeorgis. — (GR) The Commission's original proposal, which provided for a limit of 44 tons, was the best for the Community from the economic and technical points of view and also from the environmental standpoint. Parliament came down in favour of 40 tons. The Commission studied the views of Parliament in depth and finally modified its original proposal by setting a limit of 40 tons as a compromise solution. We stand by our proposal, which is, as I have said, in accordance with the almost unanimous view of Parliament. Efforts will be made to find agreement in the Council, and the Commission will provide every possible assistance.

Sir James Scott-Hopkins (ED). — As the Commissioner is aware, the United Kingdom has only gone up to 38 tonnes, and he will have to accept that for the moment.

What additional funds will he make available through the Commission to deal with the environmental impact in the United Kingdom of going up to even 38 tonnes, which is quite considerable in view of the bridges and the various bypasses of small villages that have to be built? What can he do to help in that respect? That is the question I had put down, and I should be grateful if he would answer it.

Mr Contogeorgis. — (GR) The Commission's proposal for the harmonization of lorry weights and dimen-

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sions in the Member States is designed to bring positive benefits to the Community in overall terms. With specific reference to Great Britain, this was acknowledged in the Armitage report which concluded that the lorry weights and dimensions proposed by the Commission will reduce environmental damage, while the British state research body on road transport matters, the TRRL, has recognized that the most important factor with regard to the benefits accruing from the proposed EEC vehicle weight limits is that Great Britain will save 150 million pounds over the course of a year, mainly through savings on fuel.

The recent decision by the British government to raise the maximum limit to 38.5 tons from the 32.5 tons previously in force is a move in the right direction, but it falls short of the Commission's proposal for an upper limit of 40 tons. Even so, the five-axled lorries — vehicles, that is, with five axles and a maximum loading of 38 tons — which will be permitted in great Britain from 1 May 1983 cause 15% less wear to roads and bridges than the four-axled 32.5 tonners currently in use. Furthermore, the British government has estimated that with this change the number of articulated vehicles required to transport the present level of goods will fall by 10%, something which will certainly bring overall economic and environmental benefits.

In view of all this, I think that the honourable gentleman will agree that the situation is not such that the introduction of a Community measure is adversely affecting one particular member country — a situation in which, of course, it would be proper for us to examine the possibility of providing Community funds to offset the harm caused.

By way of indication I would like to point out the following facts. Studies carried out show that the road wear coefficient of the four-axled 32.5 ton vehicles currently in use in Great Britain is 9.5. The five-axled 40 ton lorries allowed for in the Commission's proposal have a road wear coefficient of 6.9. The 38 ton five-axled lorries permitted by the recent British government decision have a coefficient of 8.3. This latter figure is greater than that for the lorries allowed for in the Commission's proposal, though it is lower — and this constitutes progress — than that for the lorries currently in use in Great Britain.

Sir James Scott-Hopkins (ED). — Madam President, on a point of order, I beg leave to give notice that that is a totally unacceptable answer, and I shall raise it again at a later date in more stringent form.

President. — You have a perfect right to do so, Sir James.

Mr Lomas (S). — Would the Commission not agree that although there may be savings in cost and consequent increases in profit for commercial enterprises

concerned in transport, the 20% increase in weight of the already heavy juggernauts that come thundering through the streets and roads of our country would have a devastating effect on the environment and on the people who have to suffer this in those areas?

Mr Contogeorgis. — (GR) As I said before, the environment will benefit because there will be fewer lorries on the roads, less fuel will be used and the probability of accidents will be reduced. On the other hand roads and bridges will not suffer damage, because the load is spread over more axles and thus the road wear coefficient is lower.

(Mr Seal asked for the floor)

President. — On this question I have already given the floor to two Members from the same group.

Mr Seal (S). — Madam President, perhaps you could explain to us your arbitrary decisions on who is going to speak and who is not, and give the Members of this House a fair chance to comment on various things. Heavy lorry weights are very important to my own and to other constituencies, and for you not to even bother looking at who is putting up their hands is just not good enough.

President. — My dear colleague, people simply have to fall in with the *modus vivendi* that we have worked out for ourselves. Whenever I take the Chair as Vice-President, I always insist on it, as the Rules of Procedure of our Parliament require me to do.

Yesterday we had a Question Time where the same problems were created for Lady Elles. It has been agreed that we make the round of all the groups and all the nationalities. Now the next Member down to speak was of the same nationality and the same political group as the previous speaker. Therefore I simply cannot give him the floor.

Question No 49, by Mrs Ewing (H-731/82):

Will the Commission state what progress has been made on fishery agreements with third countries for 1983 following the Council's failure to conclude an agreement on a Common Fisheries Policy before the 1st of January 1983?

Mr Contogeorgis, Member of the Commission. — (GR) Since Mrs Ewing submitted her question, i.e. since the end of last year, the Council has agreed upon and ratified the common fisheries policy and has approved its main implementing provisions. It has also approved the temporary implementing provisions for 1983 of the agreements which the Community has signed with Norway, Sweden, the Faroe Islands and

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Spain. In addition, at the beginning of this year the Community signed three-year fishery agreements with Guinea-Bissau and Guinea Conakry.

Finally, I would like to inform Parliament that the Commission is continuing its negotiations with Mauritania and that it is proposed to begin negotiations on fishery agreements with Equatorial Guinea and the islands of the Caribbean.

Mrs Ewing (DEP). — May I congratulate the Commission on its Lomé efforts with Guinea-Bissau and Mauritania? In the light of the debate held in this Parliament on the agreements with Scandinavian third countries, where the date of July of this year is significant, may I also ask for an assurance that no more quotas will be given to Scandinavian countries? With regard to Spain, may I ask for an assurance that it is made plain to Spain that there is no room in the North Sea for them and that the best thing they can do, with our assistance, is to negotiate with West African countries?

Mr Contogeorgis. — (GR) With regard to the Scandinavian countries I would like to say that for 1983 our relations and the quotas granted — in terms of barter, of course — have been settled. In the case of Spain we have a long-term association agreement, in the framework of which we have also settled matters for 1983. There remains the question of negotiations of Spain's accession to the Community. The Commission has prepared its negotiating position on this and is mindful of the fishery sector interests of the whole Community as well as of the Community's more general interests in respect of its enlargement.

Mrs Ewing (DEP). — I regret to say that the Commissioner did not answer the question about Spanish access to the North Sea, a question I have been putting for five years in this House and that no Commissioner has as yet answered.

Is it not time that we got more than a statement to the effect that they are negotiating? Could we get this assurance? There is no room for the Spaniards in the North Sea!

Mr Kirk (ED). — (DA) Following on from what Mrs Ewing has just said, may I ask the Commission whether we should not be talking about reciprocal fishery agreements, that is, agreements meaning that the Community gives something and gets something in return?

Mr Contogeorgis. — (GR) Concerning our relations with Spain in this period, that is, in the period prior to Spain's accession to the Community, I repeat that these are regulated by the five-year framework agree-

ment, on the basis of which the fishing quotas for each side are fixed annually.

The quotas for 1983 have been fixed — just as they were fixed in 1982 — and they do not provide for any Spanish access to the North Atlantic. For next year, for 1984, there will be new contacts and fresh negotiations with the Spanish side.

Mrs Ewing (DEP). — It is very tedious and boring, but the Commissioner just will not answer this question. It is quite a simple question about Spain's access to the North Sea. Could we not just simply have an answer to it and get the matter dealt with one way or the other?

President. — Mrs Ewing, you have already put the question and the Commissioner has replied. In fact, you have put the question three times. Members will have taken note of this, as does also the Chair.

Mr Marshall (ED). — I would like to raise a more legitimate point of order than Mrs Ewing. When Mr Seal raised the question of supplementaries to Question No 48, you said that there had been two from a particular group in the same language and that you would not therefore allow a third person to speak. But if you look at the two people who spoke, one was Mr Moreland, who was asking a supplementary question to Question No 48, and the other was Sir James Scott-Hopkins whose question had been linked with Question No 48. He asked Question No 82 and he was asking a supplementary to that question. Surely it is wrong that no member of the group who had not actually put a question down was allowed to ask a question, particularly when heavy lorries are a very important issue in many of our constituencies. I would like to invite the Commissioner to come and see the impact of heavy lorries when he is in London next month.

President. — Members will have realised that this was not a point of order but a speech, which, however, we did not want to interrupt. Once and for all, however, I think that during Question Time we must respect the provisions of the Rules of Procedure in regard to supplementary questions and also listen to the answers given by the Commissioner.

Sir James Scott-Hopkins (ED). — Pursuant to Rule 45(1) I would like to request an hour's debate on Question No 82 at the end of Question Time. I have five colleagues here who support my request.

President. — Sir James, we shall decide on that when Question Time is over.

President

As the authors are not present, Questions Nos. 50 and 51 will be answered in writing.¹

Question No 52 by Mr Seal (H-786/82):

In view of the Commission decision to examine each of the proposed 'employment zones' put forward by the Belgian Government and to veto the one proposed for Brussels, can it now be assumed that Article 92 of the EEC Treaty will be used for all Member States who set up 'employment zones'?

Do all the British 'enterprise zones' give aid which is considered compatible with Article 92 of the EEC Treaty?

Were the proposals for these British 'enterprise zones' examined individually before they were allowed to be established?

Are the Commission to examine any proposals to give measures of aid to industry by a future British Labour government to ensure that they too will be compatible with Article 92 of the EEC Treaty?

Mr Andriessen, Member of the Commission. — (NL) The answer to your first question is 'yes', not because the Commission felt that the Belgian government-sponsored 'employment zones' were *per se* infringing the Treaty but quite simply because every form of Member State government aid to industry must be reported to and have the prior approval of the Commission.

The answer to your second question is also 'yes' because of the relatively limited nature and level of the aid involved in the British industrial enterprise zones.

On your third question, as to whether the British government's proposed industrial enterprise zones were inspected on an individual basis by the Commission at the time before being given the green light, I can say that the Commission requested the British government to submit its proposals for inspection. Had there been any reason to question the validity of the aid granted to one or other zone, the Commission would have invoked the generally accepted Community responsibility of the Member States.

Finally, as to whether the Commission intends to examine aid accorded to industry by a future Labour government in the United Kingdom for possible infringements of Article 92 of the Treaty of Rome, I feel this to be somewhat irrelevant, given the Commission's impression that a future Labour government would be in favour of withdrawal from the Community.

(Laughter — applause from the European Democratic Group)

Mr Seal (S). — I am very glad to see that at last we have got through to the Commission that the Labour Party is serious about withdrawing from the Community.

I do not, however, Madam President, intend to ask a supplementary question, otherwise you might stop one of my colleagues in the Socialist Group from doing so, but I do consider the answers unsatisfactory.

Mr Megahy (S). — I was going to make the point that Mr Seal made, but since he was kind enough to allow me to speak, I will raise another point.

The answer to the last part of the question certainly does seem to indicate that the Commission is expecting a future Labour Government to withdraw, so I should like to ask another hypothetical question. If the pressures on a future Labour Government were such that they decided to remain within the Community, what would have been the answer to Mr Seal's original question?

(Laughter)

Mr Andriessen, Member of the Commission. — (NL) It had been abundantly clear to the Commission that the Labour Party in the United Kingdom had the contingency plans to which I have referred. In the event that a future Labour government should find itself unable to honour the commitment to withdraw from the Community, I can only say that the Commission would treat a future Labour government in exactly the same manner as it would any other British government.

President. — As the authors are not present, Question Nos 53 and 54 will be answered in writing.¹

Question No 55 by Mr Lalor (H-532/82):

Will the Commission state why it failed to gather any information on Member States expenditure on coastal protection projects over the last ten years² and will it now give assurances that it will carry out this request so that an evaluation of this problem can be fully seen at Community level?

Mr Narjes, Member of the Commission. — (DE) The Commission takes the question of coastal protection very seriously. It is doing a lot of work on the subject. May I draw special attention to our ecological mapping which will enable us to determine the especially exposed areas and the scale of the problems involved, while also seeking possible solutions. I too have noted with concern that these activities are not proceeding

¹ See Annex II.

¹ See Annex II.

² OJ No C 259/82, p. 17.

Narjes

with as much speed as the Commission would wish. As in many cases, shortage of staff is the main reason for the delays. One official, who can only perform this task part-time, is not sufficient.

As for Member States' expenditure on coastal protection projects, the Commission does not have an overall picture because there are no complete national statistical surveys of this area of expenditure. I have already pointed this out in my answer to Question 53/82 by Mr Nyborg.

The question of coastal protection as such and that of aid measures mainly concerns regional policy. Preliminary studies have shown that coastal protection projects could be assisted by the European Regional Development Fund where such projects make a substantial contribution to developing the infrastructure of the regions in question.

A further requirement for obtaining aid from this Fund is that the project is based in one of the regions which the Fund considers in need of aid and, lastly, that the Member States actually apply to the Commission and the Fund for such aid.

I hope I have thrown some light on this subject. For the rest, I am sure that Mr Giolitti is quite willing to discuss this matter in detail in the responsible committee, on the basis of the information and knowledge at his disposal.

Mr Lalor (DEP). — It is normal at this point for the Member to thank the Commissioner for his reply. However, may I ask the Commissioner how he can come in here to the House today and absolutely refuse to reply to the question that is being asked.

The question asked was: 'Will the Commission state why it failed to gather any information?' I referred to a previous question, and in his reply on that previous occasion Commissioner Narjes said: 'The Commission does not have any information on Member States' expenditure on coastal protection projects.' I asked him today, why? His reply is that he has only one man in his office working part-time on this type of thing, and that apparently is his only explanation. I must ask him if the Commission takes the Members of this Parliament in any way seriously, when he can give a reply of this nature to a straightforward question as to why the Commission did not do any research on this. They could have written a letter to the ten governments to ask how much has been done. Not all the Member States have coasts, so for some there is no problem in that regard.

Surely it is not asking too much for parliamentarians to be able to ask the Commission such questions and to expect to receive a more considered, more thought-out and more proper reply?

Mr Narjes. — (DE) I am quite happy to repeat again what seems to have escaped the honourable Member. I expressly said that there are no national statistics giving the information he wants and that the Community cannot therefore compile them or make an overall comparative survey.

Furthermore I expressly stated that our official can only deal with this matter on a half-day basis, which implies that we cannot go from region to region, from town to town, from province to province and contact semi-public institutions or agricultural associations in order to carry out our own researches. That is the situation. So I am rather taken aback at being reproached with not having done what is necessary.

President. — Question No 56 by Mr Rogalla (H-617/82):¹

How does the Commission account for the fact that most people confuse the European Community with the Council of Europe and does the Commission think it can improve its public relations in the Member States, and, if so, how?

Mr Natali, Vice-President of the Commission. — (IT) The Commission is aware that many European citizens are not familiar with the institutional structures of the Community, although their value as a whole is not underestimated. However, on the public relations side, the Commission has always felt it to be its duty to give emphasis to the Community as such, as well as to its work and policies.

Obviously, when circulating information on these matters, the role of the individual Institutions is presented in the light of their individual powers, duties and responsibilities. The question of how the Institutions of the Community function is thus only one item — undoubtedly important — amongst several, with regard to which the Commission is trying its hardest to carry out a many-faceted and complex information programme aimed at about 270 million people living in the Europe of the Ten.

Mr Rogalla (S). — (DE) May I ask the Commissioner where he thinks the main emphasis should lie in this information activity, to ensure that this public relations activity which, as he pointed out, concerns the whole Community, also shows the cooperation between the Commission and Parliament, i.e. the cooperation between the motive force of Europe and the directly elected Members? Secondly, I would ask him to give a few details on the means of information used and in particular to indicate whether the Commission intends, in the next few months, to prepare in cooperation with the appropriate television studios in

¹ Former oral question without debate (0-124/82), converted into a question for Question Time.

Rogalla

the Member States, short films on the activities of the European Community, which can be shown after news broadcasts, that is, at useful times, and whether the Commission considers this sort of thing at all effective and would, where appropriate, be prepared to encourage it.

Mr Natali. — *(IT)* Mr Rogalla has fired off a burst of supplementary questions. I will endeavour to answer them.

First: with regard to our public relations work, obviously we emphasise the role and the function of the Institutions of the Community, giving proper importance also to the work and function of Parliament.

With regard to the cost of this public relations work, expenditure under this head is shown in the Community budget; however, if Mr Rogalla so wishes, I will supply him with exact details of the individual items of expenditure.

As far as television is concerned, we are endeavouring to work in conjunction with the European Broadcasting Union to provide the maximum possible information on the activities of the Community.

President. — I have two supplementary questions down from Mr Aigner and Mr Habsburg, who belong to the same group, the EPP, and are of the same nationality, so they will have to decide between themselves which of them puts the question.

Mr Habsburg (EPP). — *(DE)* He knows more about it than I do!

Mr Aigner (EPP). — *(DE)* May I begin by thanking Mr von Habsburg for giving me the floor. I hope he will take the same opportunity another time.

Mrs President, Parliament instructed our committee to carry out its own research. We will draw up a report on the matter and, Mr Natali, we will then have an opportunity to discuss the individual details. But my supplementary question is as follows: your answer indicates that we have 39 information offices with a considerable number of staff; if I remember rightly there are 240 full-time officials, quite apart from local staff. Do you not think it is time for the Commission to instruct the information offices that especially when unwarranted attacks are made on the Community in the media, they should issue corrections as promptly as possible?

I am always struck by the fact — and I am not just saying this about the Federal Republic but also about other Member States — that our information offices seem to be asleep when such attacks are made on the

Community. There are justified attacks, but 90% of the attacks are unjustified. Why do our information offices remain silent? Do you not think it is time for you to issue a directive on the matter?

Mr Natali. — *(IT)* We shall have the opportunity for a full debate on the work of the information offices of the Commission. As far as Parliament is concerned, I do not intend to go into the work of its information offices, because that is a matter for Parliament itself. We shall certainly be able during this debate to pinpoint any changes that should be made. Broadly speaking, I think I can say that our offices try to do their best; there are undoubtedly occasions when greater promptness would be of considerable importance, and I should like to assure Mr Aigner that, where such a sense of urgency is lacking, I will take the necessary steps. I must, however, also say — and Mr Aigner knows this — that we are often faced with difficulties arising from the fact that, fortunately, the mass media are independent and may often take no notice of our news and our press releases.

Mr Davern (DEP). — Would the Commissioner agree that there is a lack of transparency in Europe where funds are concerned, that national governments very often keep these funds, and that the public is not aware that these funds have been made available by the European Community so that regional and local authorities in many areas are only aware of the bare fact that a sum of money has been granted? Would the Commissioner consider that transparency where funds coming directly from the Commission to regional authorities are concerned would be a better system of promoting the European Community?

Mr Natali. — *(IT)* We always give emphasis in our publications to action of this kind by the Community. It is one of our duties to send out information on such action by the Community.

President. — As the authors are not present, Questions Nos 57, 58 and 59 will be answered in writing.¹

Question No 60 by Mr Flanagan (H-676/82):

In view of the considerable worldwide public concern aroused by the death of seven people in the United States caused by a criminal act of poisoning resulting from the introduction of cyanide into inadequately sealed bottles, does the Commission intend to propose any safety measures such as the obligatory sealing of all medicines, prescribed or otherwise in the Community?

Mr Narjes, Member of the Commission. — *(DE)* After learning of the criminal act of poisoning by the intro-

¹ See Annex II.

Narjes

duction of cyanide into a painkiller widely used in the United States, the Commission immediately entered into close contact with the US Food and Drug Administration. In Europe there is usually no self-service counter for buying medicines so that it would be far more difficult to perpetrate such a crime here. Nevertheless, this question will be discussed by the Committee on Proprietary Medicinal Products for Europe set up pursuant to Directive No 75/319. We cannot give a precise answer to the honourable Member's question about practical Commission proposals for appropriate European safety measures until we know the results of that committee's deliberations.

Furthermore, the recent report about the poisoning of orange juice in the medical faculty of a German university is shocking evidence of the fact that there is no absolute protection against attacks of this kind, which are usually the work of terrorists and can extend to all areas of consumer goods. Here we must leave it to the security organs of the individual states to take suitable measures to ensure the greatest possible consumer protection.

Mr Flanagan (DEP). — I would like to thank the Commissioner for his reply and for the concern shown by the Commission in regard to this matter. I much appreciate his reply.

President. — Question No 61 by Mr Simmonds (H-828/82):¹

Recognizing the gross imbalance of import tariffs on trade between the European Community and Spain;

Recalling the British Prime Minister's demand at the European Council on 3 and 4 December for 'quick and effective action to ensure more equal access in our trade with Spain';

What action does the Commission now propose to redress this imbalance?

Mr Natali, Vice-President of the Commission. — (IT) At the Council's invitation, the Commission has been in touch with the Spanish Government on a number of occasions regarding the imbalance in the industrial and customs concessions granted within the framework of the 1970 agreement, bearing in mind also how high the Spanish customs duties are. Moreover, in the context of the negotiations for accession, there has long been a considerable divergence of position as regards the time-scale and procedure for the abolition of tariff barriers in the context of industrial and Customs Union and in relation to the ECSC.

With a view to assisting the membership negotiations with Spain on the industrial question, the Commission sent a communication to the Council on 29 March containing a proposal for a joint solution to the two tariff problems.

As far as the Customs Union question is concerned, still in relation to the membership negotiations, the Commission proposes a transitional period of seven years, together with a time-table for phasing out tariffs.

As far as the accessionary period is concerned, the Commission envisages a system of modulated adjustments to the Spanish customs duties, which are particularly high.

The Commission considers that this overall solution may, in the near future, allow the membership negotiations to be brought to a conclusion so far as industry is concerned, since on the one hand it answers the immediate problem of tariff inequality and on the other it takes into account Spanish concern as to the transitional measures leading to Customs Union.

Mr Simmonds (ED). — Nothing that the Commissioner has said this afternoon gives me any indication of early action to resolve the very severe problem which exists. I hope that the Commissioner is aware that if the constituency I represent, which is the home of drop-forging of metal products in the United Kingdom, wishes to send drop-forgings to Spain we have to pay a duty of over 35%, whereas if Spain sends a drop-forging to the United Kingdom it pays a duty of about 3%. The drop-forging industry in my constituency has virtually ceased to exist.

Am I to take it from what the Commission has said that nothing is going to be done until Spain has completed an accessionary period of 7 years after joining the Community? If that is the case, the drop-forging industry in the United Kingdom will just cease to exist during that period.

Mr Natali. — (IT) I beg the honourable Member's pardon, but it does not seem to me that my answer was totally devoid of content. I indicated a line that we are at present endeavouring to pursue. Relations with Spain are at the present time governed by an agreement — the agreement of 1970. It is an agreement — and I have already said this — that is favourable to Spain because, whereas Spain has maintained high customs duties, we have considerably reduced ours.

At the same time there are the membership negotiations, and it is for this reason that we have proposed a solution, starting from the accessionary period, that provides for the progressive reduction of Spanish customs duties. It is not correct to say that we have made no proposals. We have made a global proposal

¹ Former oral question without debate (0-145/82), converted into a question for Question Time.

Natali

prompted partly by another factor, which is that changing the situation would mean renegotiating the 1970 agreement, and I think it would be quite absurd to renegotiate a commercial agreement with membership negotiations going on.

Mr Marshall (ED). — Would the Commissioner not accept that long as his answer was, it was full of sound and fury signifying nothing, and that his inaction is causing a great deal of distress to many people in the Community who see jobs disappear and who are full of anger at his almost complacent inactivity? If he does not move on this, then perhaps this House will move and will be more active about his future than he is about the future Spanish tariffs.

Mr Natali. — (IT) I will repeat once again that it does not seem to me that we have done nothing. Indeed, we are proposing that before membership takes place, the reduction of the Spanish customs tariffs should begin. Naturally, we cannot impose certain solutions by force; it is the purpose of the negotiations to try to achieve balanced objectives, in the interests both of the Community and of Spain. I think that our proposal is along these lines.

President. — The Commissioners are often subjected to a certain amount of rough handling in our plenary Assembly, but I must say that Mr Natali always replies with good humour to questions that are carefully phrased and of a serious nature.

As the author is not present, Question No 62 will be answered in writing.¹

Question No 63 by Mr Kazazis, for whom Mr Gero-kostopoulos is deputizing (H-766/82):

On 17 December 1982 it was announced that the USA had signed a trade agreement with Egypt under which the USA would sell 1m. tonnes of wheat flour on very favourable terms (subsidizing part of the cost), thus cornering the Egyptian market in an unacceptable manner. Since at the same time EEC-USA talks were going on at the highest level in the search for a 'framework of conduct' for trade between them, particularly in the agricultural sector, and as the Commission's reaction to the Americans was very 'lukewarm', does the Commission consider that appealing to GATT will be its only response, or are additional measures going to be taken if the USA takes sudden action of this kind again; and what steps are to be taken against Egypt, which agreed to the conclusion of this agreement?

Mr Dalsager, Member of the Commission. — (DA) After it was announced on 12 January 1983 that

the USA had signed an agreement with Egypt on the supply of 1 million tonnes of wheat flour, which represents almost one quarter of the world market in wheat flour, at a fixed price well below the world market price, the Commission immediately protested to the American authorities and asked for bilateral consultations under GATT. In the course of these consultations it emerged that the United States expected to meet Egypt's entire requirement for the purchase of wheat flour for as long as the agreement was to run — 12-14 months from 1 March 1983. The selling price of the flour was set at US \$ 155. Export subsidies will be paid to cover the loss arising from the low selling price, and these subsidies will be paid out in kind in the form of wheat from the American stocks.

The Community pointed out that the United States, by extending this export aid, was completely excluding the Community from the sale of wheat flour to Egypt and that the US prices were \$ 15-25 below the prices at which Egypt's usual suppliers made their sales. For these two reasons the decision to extend the subsidies in question is not in conformity with the GATT rules, i.e. Articles 16 and 10 of the code on subsidies. The United States claimed that they were compelled to resort to subsidies in order to increase the export of wheat flour and that they did not think the subsidized sale was in conflict with GATT, although they did not go into detail on the legal basis for this assertion.

There has been no reaction as yet to the Community's request that a solution satisfactory to both parties be sought, which may consist in the cancellation of the sale in question, or in a modification of the conditions of sale, or in the provision of compensation for the loss incurred by the Community and its milling undertakings. In accordance with the GATT rules on the procedure for settling disputes, the offended party, if no solution satisfactory to both parties is reached within 30 days, may through bilateral consultations submit the matter to the committee on subsidies and equalization arrangements, which consists of representatives of each of the signatory states to this agreement, with a view to mediation. If this also fails to produce results, the matter can be put before a panel which will pronounce on whether the GATT rules have been observed and on ways of settling the dispute.

I can also inform Parliament that in the meantime Vice-President Haferkamp and I have been to the United States, where we have had discussions with representatives of the American Government on the overall situation on the world market in agricultural products. These talks are continuing, and the Community has, of course, a very considerable interest in solving the problems which may exist between the United States of America and the Community in connection with the export of agricultural products to the world market. Naturally therefore we have not yet concluded our efforts in this matter.

¹ See Annex II.

Mr Gerokostopoulos (PPE). — (GR) I thank the Commissioner for the thorough reply he has given to the question by my colleague, Mr Kazazis. However, I would like to ask him if he knows whether the United States Department of Trade intends to continue with its unacceptable new-found tactic of selling subsidized agricultural products — butter and milk, for example, as well as others — to various countries outside the Community at prices lower than those of the world market.

Secondly, I would like to ask what effective measures the Commission intends taking to forestall further agreements such as that between the United States and Egypt on wheat flour.

Mr Dalsager. — (DA) I would say to the Honourable Member that I do not think the matter is as simple as it is presented. I hope very much that the discussions we are having with the American Government will result in a cessation of activity of the kind we are talking about here. It would be logical to assume that there is a way in which we can solve our mutual problems without measures of that kind. For, if they continue, it will be at high cost both to the American Government and to the Community, which would each be supporting exports of agricultural products with far greater sums than is the case at present, and that would be a development in our trade which cannot be in anyone's interests.

Even though, of course, I am aware of the rumours and reports which are circulating on these questions, I still believe that it is in everyone's interest to find a solution to the problems, so that there is room for both of us on the world market in a reasonable way. I do not therefore think that we should pay too much attention to all the rumours we hear — at least not for the present.

Mr Eyraud (S). — (FR) Having just returned from Egypt, which I was visiting with the Mashreq delegation, I should like to inform the Commissioner that these are not rumours. I was able to ask the Egyptian Prime Minister a number of questions about the flour market and the butter market.

No, they are not rumours. I can tell him that even while the European Parliament delegation was in Cairo, Mr Block, the American Secretary for Agriculture, was also there to negotiate a contract for the sale of 25 000 tonnes of butter and 12 000 tonnes of cheese; I can confirm the accuracy of these figures, since he made a statement to Reuters on the same day as I did.

This is the contract that Mr Block was negotiating in Cairo ten days ago.

My question to the Commission is as follows: in the face of such economic aggression, does the Commis-

sion intend to meet fire with fire, by signing a multi-annual supply agreement with Egypt? Secondly, since the United States is, so to speak, venturing into our hunting grounds, does the Commission intend to authorize Member States to reciprocate in South America or the Far East?

Mr Dalsager. — (DA) I did, of course, read in press reports that Mr Eyraud and Mr Block visited Egypt at the same time and that a war of words developed — at least in the field of agricultural products — and I must say that the Commission wanted to refrain from any form of verbal warfare. Even though Mr Block perhaps expressed himself rather strongly on certain points, we still believe that it is necessary to try to find solutions to the problems and not declare war. For a war would be so costly both for the Americans and for the Community that no one can be in any doubt that we cannot afford to wage that kind of war. We therefore still believe that there is a way, as long as we have talks in progress with the American Government, of solving our common problems, for they are *common* problems.

But I must add that, should these efforts fail, the Commission must, of course, assume responsibility for the defence of our markets. The Commission will assume that responsibility at the right time, because it is the Commission's responsibility. But whatever happens, we do not want to be involved in a war of words, either with the American Agriculture Secretary or with Mr Eyraud. We want to keep out of such exchanges as long as is at all possible, because we believe it is necessary to reach solutions to the problems and not to declare a trade war.

Miss Quin (S). — There seem to be a lot of people complaining in the EEC about the United States taking over a traditional Community market. I am not sure what the definition of a traditional market is, but is it not true — and perhaps the Commissioner can tell me — that a few years ago we replaced Australia in this particular market in more or less the same way as the Americans are now replacing us?

Mr Dalsager. — (DA) It would turn into a long discussion, if we were to hold it in Parliament, because it would involve presenting a long series of statistics on what markets, let us say traditionally, belonged to certain suppliers. There have been conflicts — at least verbal conflicts — between the Americans and the Community, between Australia and the Community and between Australia and the Americans on all these various agricultural markets. I do think it correct to say that we have replaced Australia on these markets; but it is perhaps correct to say that we have been competitors of the Americans for certain products on certain markets, and that in a situation in which markets are in decline, in which there is economic recession in a large number of importing countries.

Dalsager

This can, of course, give rise to frictions such as we have seen between the American Government and the Community and, in other product sectors, also between the Community and other suppliers of agricultural products. It is thus a discussion which would be too involved to hold during Question Time; but clearly a long development has taken place over the years, in which we must also take into account what has happened in the area of production increases. The Community at all events has increased its production of certain products, and there have also been extensive increases in the production of certain American farm products. Thus at a time of recession and economic decline problems of this kind may arise, but we in the Commission still think that they should be solved by negotiation and not by declaring that we can now supply a large quantity of agricultural products at very low prices. For that would be so costly both for other suppliers and for the Community that no one could gain anything by it.

Mr Davern (DEP). — People feel there is a danger of complacency in the Commission in view of the length of time it has taken them to react to developments on the wheat market and the fact that sales now seem to be reasonably imminent. Will the Commission respond to the aggressive attitude of the American Secretary of State in his threatening to start a trade war with Europe?

Mr Dalsager. — (DA) I would draw the Honourable Member's attention to the fact that the American Secretary of State explicitly stated that there was no desire for a trade war. When the American Secretary of State makes a clear pronouncement, as he did at the meeting on 10 December 1982, it is equally clear that the Commission is not going to turn round and declare a trade war. I do not know what Mr Davern is dissatisfied with, what question it was he did not get answered. But if it is about wheat in the Community, the situation is precisely that which the Commission forecast in January, that the trend in our wheat sales is satisfactory. We do, of course, have large stocks because of a very abundant harvest, but there is no catastrophic situation in the wheat sector.

Mr Provan (ED). — I think the Commissioner has given us a very full answer this afternoon and I hope that the Community will be taking a first step towards some form of convergence with the American cereal price in the price determination when it comes out who knows when, but let us hope very soon. Can the Commissioner indicate to us whether he got any idea at all from the Americans on his recent visit to the United States of any desire on their part to move upwards slightly to get greater convergence on cereals in the world market?

Mr Dalsager. — (DA) I did not, but I can inform the Honourable Member that the chief exporters of wheat

to the world market are to have a meeting on the 27th and 28th of this month, in which we shall jointly discuss the overall situation on the cereal market. The problems raised by the Honourable Member will, of course, also be discussed then.

President. — Question No 64 by Mr Kyrkos (H-49/83):¹

Can the Commission confirm that it has commissioned a study on the 'strategy for agro-industrial development in the Mediterranean regions of the Community' from an American research organization directed by professor Dale E. Hathaway, Under-Secretary for Agriculture in the Carter Administration?

If so, can it explain the reasons which induced it to entrust this research project to a political figure from a country outside the Community? Does the Commission believe that nowhere in the Community is there a research centre capable of examining the agro-industrial problems of the Mediterranean areas?

How much does it plan to spend on this research?

Mr Dalsager, Member of the Commission. — (DA) It is correct that the Commission has asked Mr Dale Hathaway from the Consultants International Group Inc., Washington DC, to coordinate a study in connection with a strategy for the development of the food industry in the Community's Mediterranean regions. I should like to stress to the Honourable Member, however, that the basic research work in conjunction with this study and under the same contract has been carried out by four experts from institutes in France, Italy and Greece. The task for Dr Hathaway, who is a well known and highly respected academic, is to undertake a comparative analysis of the problems relating to the development of the food industry in the Mediterranean regions and, in consultation with the national experts, to propose a suitable strategy for accelerating this development. By entrusting this work to an expert outside the Community, the Commission is seeking to obtain a completely objective analysis of the present situation which, in the Commission's opinion, is of crucial importance to the development of a realistic strategy in the region. The costs of the study, including the fees of the national experts, come to a total of US \$ 116 480.

Mr Kyrkos (COM). — (GR) I am afraid the answer confirms our anxieties, because one cannot easily fathom how the Commission arrived at the conclusion that an American expert should scrutinize the findings of European experts on the development of a strategic

¹ Former oral question without debate (0-166/82), converted into a question for Question Time.

Kyrkos

sector of the European economy, namely, agro-industry in the Mediterranean regions. This leads to strange thoughts related to the previous question.

Whether we like it or not, we are involved in a kind of competition with the United States. How is it possible for the Commission to entrust problems relating to the development of a whole area to an American expert? So, one way or another, either we completely despise the existing scientific manpower or we are importing a potential competitor to adjudicate on the problems that concern us. I fear that the Commission has conveyed a very dangerous impression of dependence and of being in the grip of an inferiority complex. We believe that there is unlimited scientific and technical potential within the European Community and that the last thing the Commission ought to have thought of doing was to entrust a potential competitor with the elaboration or final scrutiny of programmes that we are capable of formulating by ourselves.

Mr Dalsager. — *(DA)* This is a piece of scientific work which the Commission has commissioned, and it has nothing to do with the American Government or with the American agricultural organizations. The Commission came to the conclusion that it would be of value to have people completely outside the Community to undertake an overall assessment of the results which our own national experts have reached in the area in question. If we look at the development which has taken place in the region in question over the years, I think that everyone will agree with me that we need to have the most, let us say special, expertise available when it comes to mapping out a strategy for the development of the region. I cannot share the Honourable Member's concern that an American citizen happens to have been selected; he is an American expert who is well known in the Community through many years of cooperation and in whom we have great confidence.

President. — Question No 65 by Mrs Dury (H-771/82):

In connection with its proposed measures regarding the Palestinian refugees in Lebanon can the Commission indicate what, as far as it is aware, the Lebanese Government intends to do for these refugees in the way of protection and assistance?

Mr Pisani, Member of the Commission. — *(FR)* In addition to what it has been doing since June 1982 for Palestinian refugees outside Lebanon and its contribution through international organizations such as the United Nations Organization, the Community has helped Lebanon to cope with the situation created by the war by mobilizing and placing at its disposal 22 million ECU, not including food aid. This money is to be used for the benefit of Lebanese and Palestinians alike, without distinction.

This said, the Palestinian population breaks down into three groups. First, there are the Palestinians who have been identified by the United Nations relief agency for refugees, about whom there is no problem; they receive aid in accordance with the agreements entered into. The second group is made up of a quite considerable number of Palestinians who have been established in the country for a fairly long time but have not been through the United Nations identification formalities, and here there is a problem. We are trying to persuade the Lebanese authorities to treat these people who have been in their country for a long time as eligible for aid provided through the international organizations. The third group of Palestinians living in the Lebanon consists of people who have not bothered to declare their entry and are therefore staying in the country illegally; the Lebanese Government wants them to leave its territory.

Given these circumstances, it is not possible to give an overall answer to Mrs Dury's question. I repeat that the distribution of aid is proceeding normally in the case of the refugees identified by the United Nations relief agency. In the case of those who are established in the country but have not been identified, there are certain problems over the provision of aid and we are discussing these with the Lebanese Government.

Mrs Dury (S). — *(FR)* My question was concerned primarily with the Lebanese Government's attitude to these Palestinian refugees, and you have given a clear definition of the three groups. But I should like to ask a specific question: is it true that the Palestinian refugees are not allowed to build what one might call 'solid' shelters, that they are obliged to remain in tents in a climate which can be harsh? Is the Lebanese Government making any provision for protection of the Palestinian refugees, who are presumably still exposed to sections of the Lebanese population which are extremely hostile to them? Looking ahead to the prospect of the withdrawal of foreign troops from Lebanon, which is seen as an essential step in the progress towards peace in the Middle East, what arrangements are being made for the future of Palestinian refugees in Lebanon?

That is the point of my question. I of course do not doubt the Commission's willingness to help the Palestinian refugees, but I wanted to know that information it had on the Lebanese Government's attitude to these refugees.

Mr Pisani. — *(FR)* I have already answered Mrs Dury's second question, implicitly at least.

As far as we are aware, the problems of the first group of Palestinians are no worse than those which sadly face all nationalities in this country, who, it should be stressed, are living under conditions of such tension that, by any yardstick that we might use on the basis of

Pisani

our own experience, their problems are simply not being solved.

With the second group of Palestinians there are difficulties. Many of these people are camping on sites which do not belong to them and want to put up solid structures on land to which they have no title. There is a real problem here. I have to say that there seems no possibility at this stage that the Lebanese Government will change the position that it has adopted on this subject. However, this most certainly does not mean that we shall not be trying to help matters along. In particular, among the aid programmes for the reconstruction of Lebanon that we are examining currently, we have been looking at a scheme for the creation — with the Lebanese Government — of housing development zones outside towns, so that accommodation can be provided on land suitable for building which is currently vacant.

In the case of the third group, it is clear not only that the Lebanese Government will not agree to the erection of solid structures, but that it will oppose it by all means at its disposal.

I should like to stress to Mrs Dury that the situation in this country is extremely complex and difficult, especially in Beirut and the surrounding area, and that it is also very difficult for a foreign administration or delegation such as ours to obtain the information that we would wish to have at our disposal.

President. — Question No 66 by Mr Purvis (H-772/82):

Can the Commission say what current EC safeguards exist regarding the self-ignition of stockpiled coal and are any such safety measures proposed by the Commission?

Mr Davignon, Vice-President of the Commission. — (FR) There are no Community regulations on spontaneous combustion of coal stocks. This is a matter which we have examined on several occasions since the ECSC was established, and we find that the measures taken, using a well known method, to prevent this happening are in the interests of the stockholders and that this technical problem is therefore well under control. Appropriate arrangements are being made in practice and, whereas we are in favour of taking action when a gap needs to be filled, we see no call for regulations which are not warranted by the situation.

Mr Purvis (ED). — This question was prompted by recent press reports of self-ignition of coal in the United States — both in stockpiles and on ships — which seems to be a peculiarity of American coal. If we are to increase the imports of American coal into Europe to meet future demands, is this going to become an increasing problem and can the Commis-

sioner assure the public in general, whose concern may be increased, that he is quite confident there is no risk to the environment or for their safety in the future and that no regulations are in fact required?

Mr Davignon. — (FR) I was referring more specifically to coal production within the Community but, with regard to any particular problems arising in connection with coal imports, I can confirm that, given the obligations laid upon the ECSC and the regular reports that we draw up in this connection, we shall see to it that we are able to give the assurance requested by Mr Purvis or to respond to any difficulties which may arise and propose suitable action to deal with them.

Mr Moreland (ED). — Does the Commission not agree that the main safeguard against self-ignition of stockpiled coal is quite simply to reduce the amount of stockpiled coal, and as at the moment we have unprecedented levels of stockpiles of coal in the Community — I understand something like 40% of annual output — is the Commissioner happy that his proposals in his working programme for coal published last month; which only amount to having discussions on stockpiling, really meet the problem, or is more urgent action actually needed?

Mr Davignon. — (FR) It has to be granted that the Honourable Member has stated an incontrovertible truth: if there were no more stocks, the problem of safeguarding stocks would have solved itself; on that much I am in agreement with him, but we clearly cannot introduce regulations to this end. On a more serious note, the present high level of coal stocks is of course the result of the fall in consumption — by about 25% — and the mildness of the winter.

The second question — which we shall be discussing at the Council of Energy Ministers on 21 April — is a matter of whether or not it is possible, in the context of an overall strategy for coal, to reach a consensus among Member States which have — or think they have — conflicting interests. A particular point to be established is whether or not measures aimed at boosting consumption of Community coal, thereby reducing stocks, can be incorporated into the Community's strategy. I should point out that the attitudes of the Member States are not yet known and that we have decided to have a preliminary discussion with the Energy Ministers next Thursday, following which the Commission will be presenting its definitive proposals for the coal industry. We have always made clear that our document was a preliminary document presented for the purposes of discussion both with Parliament and the Member States, and that the Commission would discharge its responsibilities when the time came. The problems with which we shall have to deal in one way or another include the level of coal stocks,

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which does indeed have a bearing on the Community's strategy for the industry.

Mr Rogalla (S). — *(DE)* May I ask the Vice-President, in connection with the further use of coal in the Community and the safety aspects which he has described very precisely, whether I rightly understood him to say that the Commission has at its disposal a survey of all pit accidents, all accidents involving coal production, i.e. including the storage and transportation of coal, since the founding of the ECSC, whether such surveys also exist on a world scale and, if so, whether they might not be used in a kind of advertising campaign to publicize the safety risks connected with coal production, or at least as an argument in favour of the use of European coal?

Mr Davignon. — *(FR)* I believe that these statistics are available. However, a clear distinction is to be made between accidents occurring in the course of production and difficulties arising during use, which for our purposes includes stockpiling and transport. These statistics are of course available to anyone who wishes to examine them, and we keep them to demonstrate that there are no risks involved in the use of coal. On the other hand, a number of environmental problems have not yet been settled, and some of these have been discussed in suggestions put forward by the Commission and in observations made in the European Council, in the context of aid in particular.

President. — Question No 67 by Miss Quin (H-780/82):

During their visit to Japan in February, did the Commissioners discuss the subject of machine tools and if so, what was the outcome of their discussions?

Mr Davignon, Vice-President of the Commission. — *(FR)* I can confirm to Miss Quin that we did indeed discuss machine-tools during our visit. This is a complex subject. The arrangements in being for the year 1983 between Japan and the Community are in three parts. The first of these is the maintenance by Japan of a system of export threshold prices, under which Japanese exporters are not allowed to sell on our markets at prices below a certain level. This level was raised from 1982 to 1983 to take account of higher costs and other difficulties that have arisen. The second part is the undertaking given by Japan to export only moderately to the Community, to use the current term. The third is that we monitor Japanese exports so that we can check that these assurances of moderation are in fact translated into reality, both in the Community as a whole and in individual Member States.

Miss Quin (S). — I would like to thank the Commissioner for that informative reply. I am not quite sure

what the definition of 'moderately' is this time; it is a word that would provoke different reactions, I think.

In view of the fact that the Commission's report on the machine tool industry talked of the interventionist policies in Japan and the way that these policies were used in particular to build up the numerically controlled part of the machine tool sector, does the Commissioner feel that there are lessons for Community countries there and has he any specific proposals which he is likely to make about this?

Mr Davignon. — *(FR)* It is true that the word 'moderate' is by definition a subjective word and that it does not have any particular mathematical meaning. I shall explain why. Between 1981 and 1982 Japan's exports of machine-tools to the Community fell. We would like to see them fall further, so that one cannot always use the last year's figure as the reference figure if one is looking for a continuation of the trend.

This said, in the documents on the machine-tool industry published by the Commission a few weeks ago, we have tried, together with European producers, to analyse why it is that the Japanese have been so successful in Europe compared with their European competitors, bearing in mind that Europe still has the biggest market of machine-tool users. We found that there had been definition of objectives and establishment of a consensus among the Japanese producers, including a degree of cooperation among them and between the mechanical engineering and electronics industries, and that this had created the conditions for achievement of the results that we have since seen.

At one stage, the Community was faced with a paradox: on the one hand we were worried about Japanese market penetration, but on the other hand if we did not import specific Japanese machine-tools our manufacturing output would not be competitive with Japanese products.

Following publication of our document, we are now hoping that, in our discussions with the Member States and the discussions on this document that we should like to have with the Parliament's Committee on Economic and Monetary Affairs and with the industry, we shall find ways of making the internal market function correctly, through research, cooperation and incentives for productive investment, with guarantees to producers. We must make the most of these three years of Japanese moderation to rebuild a solid foundation for the machine-tool industry in the Community by applying the lessons learnt from the Japanese strategic approach rather than merely leaving the future of this key branch of European industry to chance.

I would add that similar developments are taking place in the United States, where there is the same type of consultation among machine-tool producers, for

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whom the Japanese are creating problems of the same kind as those we have in Europe.

Mr Seligman (ED). — I agree with the Commissioner about America. They are having just the same problems with Japanese imports as we are. However, is it not true that we should be careful of excessive protectionism in this area and that to reduce the ability of our firms to import robotics into our motor and other industries would be very damaging? Would he therefore encourage our own firms to take out licensing arrangements with the Japanese in order to be able to produce the high technology machine tools in our own countries, particularly robotics?

Mr Davignon. — (*FR*) In my reply to Miss Quin, Mr Seligman, I tried to show how an attitude consisting in refusing to import without knowing what our own industry is capable of and without knowing what the impact on our manufacturing or productive industry will be merely demonstrates how misguided a protectionist policy is. It leads to a loss, not a recovery, of competitiveness.

In view of this, we are keeping a very close watch. It is also the reason why I said that, as long as we take advantage of this brief period during which the pressure is not building up according to a geometrical progression, we can create favourable conditions for decision-making by producers with a view to setting up a potential market in Europe which is based on their competitiveness. I believe that this is the fundamental question.

A subsidiary question is as follows: if they do not have the technology, is it not in their interests to take out licences, either from the United States or from Japan? This is common practice and there is nothing wrong with it.

What is absolutely essential is that we avoid becoming the technological subcontractors of large foreign companies, since this would surely cost us our capacity for growth.

Consider Japan's past and you will see that the Japanese acquired most of their fundamental know-how from the licences that they bought in Europe or the United States; this is a sensible way to bridge gaps, and we see nothing but advantages in it as long as it helps to strengthen our productive capacity in Europe.

President. — As the author is not present, Question No 68 will be answered in writing.¹

Question No 69 by Mr Seligman (H-789/82):

Does the Commission consider that the newly introduced PIK system in USA could be usefully applied in the EEC, to reduce agricultural surpluses?

Mr Dalsager, Member of the Commission. — (*DA*) The Commission draws the Honourable Member's attention to the fact that we in the Community have already taken measures to gain better control over the excessive increase in the production of various agricultural products. Even though the Commission naturally does not exclude the possibility of other reasonable solutions, we nevertheless prefer to await the results of the present measures before proposing others. We consider it important to stick to a certain policy over a number of years, and not to switch policies from one year to the next so that sometimes the farmers and sometimes the trade do not know how they are to conduct their operations. We feel it important therefore to keep to the policy the Commission has now introduced in the agriculture sector, which involves amongst other things setting production targets and the co-responsibility of the farmers for staying within them, along with other principles which we have introduced. I think therefore that I can say on behalf of the Commission that of course we shall consider all proposals which may be put forward regarding the necessary measures. But we think we have already taken a number of measures, the effect of which will now be seen.

Mr Seligman (ED). — Well, that is a rather more negative answer than I had expected on this system of allowing farmers to cease production on their land and paying them in the actual cereals, which enables them then to get the revenue they require and the seeds they require but does not increase the grain mountain and in fact uses up the grain mountain. This seems to be a very practical and sensible system, and I feel that the Commission should give it much more attention because the signs are that the present barley mountains are not falling, they are growing, and as present policies do not appear to be 100% effective, I should have thought we ought to be much closer to studying this, reporting on it and possibly introducing it at an early date.

Mr Dalsager. — (*DA*) As the Honourable Member may have noted, I have not rejected his idea, which still remains one of the ideas we are considering. But when he singles out barley, I must say that, in a Community such as ours, the barley stocks are not of such proportions as to justify introducing a policy of that kind. It would perhaps be another matter where wheat is concerned, of which we have large stocks because of the abundant harvest last year. We do not know what kind of harvest there will be in the coming year, but we shall have stocks to counter any difficult situation which may arise from bad weather and a bad harvest, and we may not therefore be in a position giving rise to the concern the Honourable Member expresses.

¹ See Annex II.

Dalsager

This does not mean that I reject his idea. It can always be considered, if we get into a particularly difficult situation with regard to stocks.

President. — Question No 70 by Mr Marshall (H-37/83):¹

Is the Commission aware that at London Heathrow airport there are special facilities at passport control for Community citizens? What other Community countries provide such facilities?

Mr Narjes, Member of the Commission. — (DE) According to the Commission's information, only the two London airports Heathrow and Gatwick have special facilities at passport control for nationals of EEC Member States. But may I point out in this connection that in the framework of its activities to strengthen the internal market and the further work on creating a passport union in July 1982, the Commission has proposed to the Council a draft resolution on facilitating passport controls at internal frontiers.

Paragraph 4 of that resolution provides that sufficient special crossing points reserved to nationals of Member States must be set up at frontier posts, airports and ports to ensure that the crossing does not take longer than at other control points. So the idea of setting up special facilities is central to the proposal.

This proposal is currently being considered in Parliament's committees. I would very much welcome it if this Chamber could give its opinion on the decision soon. This is all the more important because the Commission is urging the Council of Ministers, which began to deliberate on the proposal in March this year, to adopt it at any early date.

Mr Marshall (ED). — Can I thank the Commissioner for his answer and for pointing out that the United Kingdom is, on this matter at least, more *communautaire* than any other country in the Community and wish him God speed in his deliberations?

Mr Hord (ED). — Would the Commissioner agree that, compared to the very excellent facilities provided to Community passengers at Heathrow Airport, London, the charge made on all passengers leaving Brussels International Airport is in effect a barrier to the free movement of European citizens and contrary to the Treaty of Rome?

Mr Narjes. — (DE) I quite understand your question but also beg you to understand that I will refrain from

passing judgment on individual airports, at least in public.

(Laughter)

President. — I thank the Commissioners for being here and for the many answers they have given to our questions.

Question Time is closed.¹

I now wish to reply to the request made by Sir James Scott-Hopkins, who asked for a debate on the weights and dimensions of lorries pursuant to Rule 45.

Sir James, I am far from wishing to downplay the importance and the urgent nature of this problem. However, during Question Time I consulted the group chairmen, and I am sorry that I cannot accede to your request. The fact is that there are so many reports down on our agenda that it would be wrong to throw in another item that had not been planned for in the first place. I therefore turn down the request that a debate be arranged on the weights and dimensions of lorries and remind the House that Parliament has already been consulted on this question and has given its opinion on the basis of the Carossino report. This is not therefore a new problem. Rule 45 does not require a debate on it.

Sir James Scott-Hopkins (ED). — Madam, what amazes me is that you have told us that you have consulted the group chairmen. As this has in fact nothing whatever to do with the group chairmen — it is purely the prerogative of the Chair — I am amazed that you have done this, because naturally group chairmen want to keep to the programme they have already decided with you. That is not a matter for them to decide. It is a matter for you, Madam, as the President, in the light of the circumstances of the debate — not what has happened in the past, not what is going to happen in the future, not the possibly disruptive effects on the programme for the rest of the day, but purely what is going on here in this House. As I said, I would not dream of challenging your ruling, but I am very disappointed that you had to take the decision in the way that you have, Madam.

President. — Sir James, as the person occupying the Chair, I have decided not to accede to your request for a debate on this matter of lorries. I did, however, ask the group chairmen about the advisability of altering the agenda. There will be no debate on this matter.

Mr Moreland (ED). — I wish to speak on a point of order, Madam President. First of all, for the record,

¹ Former oral question without debate (0-176/82), converted into a question for Question Time.

¹ See Annex II.

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although the subject relates to the Carossino report, the question also in fact relates to a situation which has occurred since the Carossino report and since the debate on that report.

My point to you, Madam President, is that I think that every time there has been a request for a debate under this rule it has been turned down by the President in the chair. I do not dispute your judgment, but I would simply ask, seeing that it has been turned down this time, whether the Bureau of this Parliament regards this particular clause in the Rules as a dormant clause.

President. — Mr Moreland, I have taken note of your remarks. As the person in the Chair, I do not think that these problems are urgent or that they require that we should alter our agenda. When a really important question does come up, the Bureau — and I would hope to be one of its members — will possibly decide to put it on the agenda.

Mr Marshall (ED). — Madam President, in view of the answers given by the Commissioner, I am surprised that you do not consider it an urgent matter. The political realities of life are that in the United Kingdom the 40-tonne lorry is dead and buried. There is no chance of the Carossino report being implemented, there is no chance of the Commission's proposals being implemented, and it is surely time that the Commissioner recognized the fact and that he also recognize that the 38-tonne lorry will cost a lot of money. If he does not do that, it is urgent that it should be brought to his attention. I am sorry that you do not regard the environment of a large part of the Community as a matter of any urgency.

President. — I think that the House will feel, as does the Chair, that we are reading Rule 45 in two different ways, since even though a debate has been refused you have still tried to force it through. However, I take note of your remarks, and I think that we ought to take up the matter again with the group chairmen and in the Bureau.

6. Pharmaceutical products

President. — The next item is the report (Doc. 1-979/82) by Mr Deleau, on behalf of the Committee on Economic and Monetary Affairs, on the production and use of pharmaceutical products in the Community.

Mr Deleau (DEP), rapporteur. — (FR) Madam President, Ladies, Gentlemen, the document that I have the honour to present to you on behalf of the Committee on Economic and Monetary Affairs is a general report

on the pharmaceutical sector in the Community, encompassing the production, marketing and consumption of medicinal products.

As you know, Ladies and Gentlemen, this sector of the economy is both important and complex. It has a bearing on the state of public health and a considerable impact on the exchequers of all Member States, through their health and social security systems. It is also — and I stress this — a controversial subject, which has given rise to some thoroughly regrettable problems.

With your permission, I should like to make a parenthetical point. Your rapporteur has to inform you that he has had to issue a formal rebuttal of certain grossly offensive comments published in the French press. A parliamentary rapporteur should not be subjected to any pressure from any quarter. I must make clear that, contrary to what has been said and written, I have not been subjected to any pressure. I would not have allowed it. It is no part of the parliamentary rapporteur's role to act as prosecuting counsel. He must remain objective and faithfully report the opinion of the committee by whom he is appointed; I myself was appointed unanimously in this case. I felt it necessary to draw attention to this aspect of the problem so that the situation would be clear and unequivocal. We can therefore address ourselves to the subject with all due equanimity and objectivity.

I was saying that this is a complex and controversial subject. The pharmaceutical industry, as you will be aware, attracts criticism, sometimes couched in very strong terms, from those who take it to task — often to an exaggerated extent — for making apparently excessive profits and spending too much on advertising and publicity. The industry in turn defends itself vigorously, pointing to its key role in the improvement of health, stressing its very high research costs, drawing attention to the relatively low cost of medicines compared with the cost of hospitalization, and so on.

Your committee and its rapporteur have attempted to rise above these controversies, which are often immoderate in tone and even sterile, and present a constructive, realistic assessment of the situation in this sector and its future. We have endeavoured to examine the production and consumption of proprietary medicinal products from a mainly economic viewpoint, but without overlooking the specific nature of this sector's products.

Our aim has been to outline a European strategy for the pharmaceuticals sector. I shall be making frequent references to this strategy, for it is very important, embracing both the promotion of this major sector of industry, which is confronted with high research costs and increasingly keen international competition, and improvement of public health at the lowest cost and under the best conditions possible. We have come to the conclusion that this European strategy should be

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developed along three main lines, discussed in the three main sections of the report, and I shall comment briefly on each of these in turn.

The first section discusses guidelines for production, seeking to establish what direction could be given to the industry within the framework of a European strategy.

The first area in which we find that guidelines are essential is competitiveness. It has long been a characteristic feature of the pharmaceutical industry that it devotes a substantial proportion of its resources to research, which is essential to its operations. In view of the rising costs of research and the very keen international competition that it is facing, from the United States and Japan in particular, especially Japan which is developing rapidly in this field, it is clear that the European pharmaceutical industry, like other industries, must define its priorities and direct its research effort accordingly. It is for this reason that our report includes a paragraph calling upon the Community institutions to play a coordinating role in the field of pharmaceutical research, although without arrogating to themselves the responsibilities of private research laboratories. We also call upon the Commission to conduct a review of the various national pharmaceutical research programmes to see whether they can be coordinated so as to avoid duplication and fill any gaps found.

I must make it absolutely clear what our intentions are here. We do not wish to see pharmaceutical research and laboratories subjected to rigid regulations, since this would detract from the spirit of innovation and flexibility that private laboratories have consistently shown hitherto. On the contrary, our aim is to secure the future and the competitiveness of this sector through coordination of effort, at European level in particular.

Similarly, we call upon the Commission to investigate means of strengthening the legal protection of pharmaceutical inventions, the value of which is currently limited by the length of the test periods stipulated.

In our view, however, this European support which we would like to see the pharmaceutical industry receive through the Community deserves to be reciprocated by the acceptance of responsibilities on the part of the industry. We believe that although prescription-only drugs should continue to account for the bulk of output since they represent the fruits of recent innovation in this field and correspond to public health needs, productive effort should not be diverted from generic and mass-consumption drugs, which have other merits, match needs and are generally less expensive. As we say in paragraph 7 of the motion for a resolution, the balance of output should correspond to the needs of the market and the interests of public health.

Similarly, the report calls upon the Commission to make efforts through the appropriate international

channels to set up arrangements for cooperation with the developing countries in the pharmaceutical field, where it is necessary to reconcile the needs of these countries, which consume less than 20% of worldwide output of drugs, the requirements expressed by these countries, and the pharmaceutical companies' concern to maintain their stability and a minimum acceptable level of profitability.

We also stress the quality standards with which exports should comply.

The second section deals with market conditions. In the marketing of its products, the pharmaceutical industry has a duty to observe the rules of competition, but at the same time it is entitled to expect the Community to create a genuinely open market in pharmaceutical products throughout its territory. We make the point that, in view of the particular structure of the pharmaceutical industry, with the high degree of concentration on the production side and the high proportion of monopolies on the purchasing side, there is a need for particular vigilance in the monitoring of compliance with the rules of competition, not only by private-enterprise companies but also by public agencies where they are to be found, as in Greece.

Our report also stresses the need for transparency of the market in pharmaceuticals, whether from the viewpoint of parallel imports or from that of the fiscal systems in force. Application of the rules on competition, coupled with transparency of the market, should make for a more satisfactory situation in regard to price-fixing than that prevailing at the moment.

On this very important subject, we reiterate our request to the Commission to carry out, without delay, a study of the compatibility with the EEC Treaty of the various national systems for monitoring the prices of pharmaceuticals, and urge it to join forces with the national authorities responsible for monitoring drug prices to work out arrangements for coordination with a view to harmonizing national systems, since without such harmonization artificial flows of imports are bound to continue.

In return for accepting these obligations, the pharmaceutical industry should enjoy the benefits of access to the vast market offered by the Community, which it needs in order to remain competitive. To this end we urge the Council to adopt the proposal for a directive on the mutual recognition of marketing authorizations without further delay, this being an essential step in the progress towards free movement of goods.

On a more general level, we consider it essential to break down the compartmentalization of the market to eliminate subsisting obstacles to the free movement of pharmaceuticals — subject to the requirements of safety standards, naturally.

We also consider that gradual harmonization of laws on the dispensing of drugs on prescription would be

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desirable, particularly in view of the fact that Community citizens are travelling more and more outside their countries of residence, visiting other Member States, where they may wish to obtain medicines.

The third and final section is concerned with the conditions under which pharmaceuticals are used, which our committee has studied with a view to indicating areas where there is room for improvement.

We paid particular attention to four areas.

The first of these is the training of doctors, particularly in the fields of therapeutic techniques and drug control. The second is education of consumers, by means of an information campaign on the correct use of pharmaceutical products in particular. The third is the exercise of controls over marketing techniques used to promote pharmaceuticals, by means in particular of regulations on advertising and publicity in this field and sanctions for any abusive practices. The fourth aspect is the need, essential in our view, for the Community to have access to harmonized statistics on the pharmaceutical sector as a whole so that the consumption of pharmaceuticals and its impact on health and public health spending can continue to be monitored and accurately compared on a Community-wide basis.

To conclude, this report is set firmly in the context of the Community's industrial strategies, in which the pharmaceutical industry, an innovative industry which applies advanced technology, creates little pollution and employs a very highly skilled workforce, has a major role to play — as long as it remains competitive.

The European pharmaceutical industry can be competitive if it coordinates its research activities at European level and enjoys access to a genuine European market. However, the requirement for competitiveness of the pharmaceutical industry must be coupled with a requirement for compatibility of its production and marketing with public health needs and public spending considerations. It is for this reason that we have made sure to make the cost of drugs a central factor in our deliberations, on an equal footing with the quality and safety factors.

The conclusions contained in the opinion of the Committee on the Environment, Public Health and Consumer Protection drafted by our colleague Mr Sherlock are to a large extent complementary to our own and I would emphasize that the conclusions of your Committee on Economic and Monetary Affairs were adopted unanimously.

I trust, Ladies and Gentlemen, that you will also accept the conclusions set out in this report, in which we have endeavoured to be constructive and objective, both in the interests of this important sector of the

economy and, of course, in the paramount interests of the health of our fellow citizens.

(Applause)

IN THE CHAIR: MR LALOR*Vice-President*

Mr Ghergo (EPP). — *(IT)* Mr President, ladies and gentlemen, the motion for a resolution on the production and sale of pharmaceutical products presented by the Committee on Economic and Monetary Affairs deals with important problems and therefore deserves to be favourably received by Parliament, even if the solutions suggested do not deal with the most important matter — namely, the free movement of pharmaceuticals between Member States.

A motion for a resolution has already been tabled on this subject, and the Committee on the Environment, Public Health and Consumer Protection has already set out its position when the amendments proposed by the Commission to Directives 65/65 EEC and 75/31 EEC on the approximation of provisions laid down by law, regulation or administrative action relating to proprietary medicinal products were being considered. The request in paragraph 12 of the resolution tabled by the Committee on Economic and Monetary Affairs, calling on the Council to adopt without delay the proposal for a directive on the harmonization of marketing authorizations for proprietary medicines, is therefore very opportune.

The Committee on Economic and Monetary Affairs rightly states that this decision would be an essential step towards a market genuinely open to the free movement of pharmaceutical products.

Amongst the various points contained in the motion for a resolution I would emphasize those relating to pharmacological research, which at present — as the motion rightly points out — is limited within the Community to a few programmes.

However, these points, as they stand, are of too general a nature; greater detail is needed, greater precision, and a statement of what measures the Community should put in hand in this field. Funds for research into sectors that have hitherto been neglected could be increased, for example, and Member States could be asked to orient the work of the public research institutions in that direction, so as to obtain more effective and at the same time less costly drugs, whilst avoiding imposing excessive restrictions on the research work of private enterprises or taking over their role. I had proposed an amendment relating to

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these problems, suggesting that the views of both sides of industry and the professional sectors concerned should be sought, so as to obtain an overall view of the situation and the problems involved. I shall say a few brief words about this amendment in a few moments.

The motion for a resolution that we are debating very properly points out the need to harmonize the legislation in Member States regarding proprietary drugs for sale on medical prescription. The Committee on the Environment, Public Health and Consumer Protection should state its views on this last matter, possibly with a proposal for a directive requiring a single list of such products to be prepared, applicable to all Member States.

As paragraph 20 of the motion for a resolution rightly points out, advertising for proprietary pharmaceutical products should be subject to a single set of special rules throughout the Community.

These rules should relate not only to the indications given for the use of the drugs but also the contraindications and secondary or side effects and, in particular, the illustrative texts on the packaging of the drug itself.

It is also undesirable that the same proprietary drug should be presented differently in different Member States; that should be avoided.

The parts of the motion calling for the collection of uniform statistical data regarding the consumption of drugs in the Community and the consequences for health and public expenditure are also deserving of approval. On this point also a special directive should be proposed, laying down strict regulations for Member States and defining the manner in which the data is to be collected.

With regard to the amendment to which I referred previously this was duly submitted by me on 22 February, yet I was only advised yesterday that the deadline for tabling it had passed, despite the fact that the Deleau report has been repeatedly put back — first to March and then to April.

I will read the text of that amendment, which I earnestly ask the committee to accept in the final version of the motion:

Considers that the participation of all sectors involved — both sides of industry and the professional sector — is essential to the proper consideration and finalization of a European policy for pharmaceuticals, and that special hearings by the Commission and the Parliament are desirable for that purpose.

Finally, we recommend that the Commission bear in mind the suggestions and proposals put forward by the Committee on the Environment, Public Health and

Consumer Protection in its opinion on this motion for a resolution.

With these observations I declare that my group will vote in favour of the report by Mr Deleau, to whom I should like to express my warm and sincere appreciation for the excellent job he has done.

Mr Beazley (ED). — Mr President, the European Democratic Group supports the Deleau report. We have, however, proposed certain amendments which we trust that the rapporteur and the House will support in the interests of improving certain aspects of it.

The first point which I wish to make is that the majority of pharmaceutical companies making ethical drugs are international private-enterprise firms, bearing themselves the heavy costs of research and of producing the necessary information to enable doctors and hospitals to appreciate their characteristics and qualities and to ensure their safe and correct usage. They are not national companies needing to become European, but international firms, most of which originated in Member States or have a strong European base, who need big markets in which to cover their costs at reasonable prices. This means that they are frustrated by the compartmentalization of the European Community market, which makes their operations of production, distribution and marketing unnecessarily costly because of the different health legislations and requirements of the various Member States.

Both the consumer and the producers would benefit by every step taken to create a real common market in pharmaceutical products. This means that the testing procedures and manufacturing regulations are in urgent need of harmonization by the removal of what are clearly national technical barriers to trade, so that the manufacturer does not have to set up ten different national companies in the Community to manufacture and distribute his products. Likewise the health authorities of the various Member States must also change their purchasing approach from a national to a European one.

My group welcomes the statement in paragraph 4 of the report that the future of the pharmaceutical industry will depend on its capacity for innovation, because this is the mainspring of its very existence and its success is the basis of its costs and the motivation for its actions. My group connects this with the proposal in paragraph 6 drawing the Commission's attention to the attenuation of the legal protection arising from the length and multiplicity of test periods within the Community and emphasizes the need for extending facilities for product testing and screenings.

The strong quasi-monopolistic buying power of national health authorities or *mutuelles* exercised over different products in different Community markets creates the circumstances in which speculative traders

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can benefit financially from parallel imports without the cost and responsibilities borne by a research base service-orientated manufacturer. This is no good basis on which to create a common market. The Community must do all in its power to open up the market legally and practically to enable *bona fide* manufacturers, through fair arms-length competition, to establish a common market for quality products at competitive prices.

This does not mean to say that there is no place for generic and mass consumption products. Of course there is, but where health is concerned, let them take their proper place according to the patient's and the markets' needs.

Mr Cousté (DEP). — (*FR*) Mr President, the pharmaceutical industry in the European Community is healthy. It is innovative, it is dynamic, it creates employment. In this industry, in fact, we almost match the United States and are followed very closely by Japan, which on its own has a 17% share of the world market. It is therefore vital that this industry should be able to develop on its own market, and this means that we must establish a genuine single market in pharmaceuticals throughout Europe.

How are we to set about this? While my group approves the report by Mr Deleau, I should like to stress four points in this connection on its behalf. First of all, marketing authorizations should no longer cover individual countries but should extend to the Community as a whole. At the same time, the existing procedure for consulting the Committee for Proprietary Medicinal Products should, as the Commission proposes, be scrapped and replaced by a system under which products could be placed on the Community market on the basis of a mutual recognition accorded by all Member States.

In this connection, the Commission is right to make the further proposal for clearer definition of the principles to be observed during experimentation, to facilitate harmonization of national decisions. The Commission is also to be congratulated on having rejected the idea of setting up a European registration body, which would have been administratively cumbersome, useless and costly.

With regard to parallel imports, on which Mr Deleau spoke most judiciously, the Commission must get progress on its communication of May 1982 and succeed in getting facilities set up to monitor parallel imports to ensure that they are justified and that they do not represent a danger, but serve to meet the needs of patients and conform with Article 36.

On the subject of prices — and this is my third point — the system that we have is a national, compartmentalized pricing system. In some Member States prices are fixed freely, whereas in others they are completely

controlled by the State. The proper method would be to have a single price for a given product throughout the Community. I find that the Commission, having set up a group of experts on drug prices, would do well to encourage it to meet, which it has not done since November 1980.

Finally, the question of patents is vitally important. It is not possible to operate in an innovative industry without patents to protect the results of research effort, the scale of which is considerable, representing between 10% and 15% of turnover. It is for this reason, Mr President, that I believe that we should adopt the idea of adding the period taken up by clinical trials to the twenty-year lifespan of patents.

These were the four points that I wished to draw to the attention of the House. I would add that our success in establishing a single, organized market in this field will depend, as in other spheres, on the strength of our will to create European union.

Mr Petronio (NI). — (*IT*) Mr President, the report presented by Mr Deleau on the production and consumption of pharmaceutical products inside the Community is of considerable interest, since it recognises the importance of this industry to the European Community, an industry that has been successful in maintaining its own competitiveness, its level of employment and its ability to export, despite the economic crisis gripping all sectors of industry.

The resolution is an excellent one because it gives proper recognition to the work of research and constant innovation which have to cope — and we must not forget this — with constantly increasing costs. A policy is therefore necessary that will not compromise its capacity for innovation. That means giving better protection for patents, with appropriate regulations governing the time from which a patent is to run, and speeding up approval by the Council of Ministers of the Commission's proposals regarding mutual recognition of national marketing authorizations.

I emphasize that this directive is essential in order to achieve free movement of pharmaceutical products and, as a result, a genuinely open internal market. It is the most effective means of protecting the productive potential, competitiveness and, hence, the innovative capacity of the pharmaceutical industry. Moreover, it protects the fundamental interests of public health.

We also agree with Mr Deleau's observation to the effect that the system of prices in some Member States, including Italy, is not compatible with the spirit and regulations of the Community. Prices should be fixed in accordance with the rules of competition and, above all, taking the real cost elements into account.

In short, I think there are five essential points for the protection of the pharmaceutical industry and the

Petronio

satisfaction of its particular requirements, and these are: first, a commitment to allocate more aid for research; second, a need for more effective legal protection for inventions in the pharmaceutical field; third, a need for quick approval of the Commission's proposals for mutual recognition; fourth, the importance of keeping a constant check on the prices policy of some Member States, so as to ensure compatibility with the regulations of the Treaty of Rome and eliminate the underlying causes of the considerable disparity in market prices; fifth, an undertaking that all parties concerned will religiously respect the rules of competition. To this end we call for the active collaboration of the Commission and the Council, not only in giving urgent approval to the proposals in this field that were already presented years ago and are still bogged down but also in presenting new proposals for Community action using EEC financial instruments.

It is with this hope that the Italian political Right feels it its duty to support Mr Deleau's report together with the amendment — unfortunately not printed, but which, I hope, will be accepted by the rapporteur — put forward by Mr Ghergo, which proposes wide-ranging consultation in this sector and which we fully support.

Mr Narjes, Member of the Commission. — (DE) In his report on the production and use of pharmaceutical products in the Community, Mr Deleau has given a comprehensive survey of the problems confronting the Community in the area of pharmaceutical products. We can only congratulate him on doing such excellent work on such a difficult and controversial subject and thank him, as we heartily thank all the ladies and gentlemen of this Chamber who have helped to ensure that progress is made in this matter during the various debates.

This is, indeed, not an easy task, since the rules are especially complex in this particular sector, in which four basic interests which are not necessarily compatible join forces. I am referring to the interest in protecting and improving public health, the interest in social solidarity in the field of pharmaceutical expenditure, the interests of industrial policy in a key European sector and the interest of the free movement of pharmaceutical products throughout the Community.

The Commission is in broad agreement with the rapporteur's assessment of the current situation. In spite of the crisis, the European pharmaceutical industry still makes an overall profit. This branch of industry spends nearly 10% of its turnover on research and thus has substantial know-how and capital available to it. With 315 000 employees in the Community, it offers a large number of jobs to highly-skilled workers. So it is not surprising to find that in fact half of the pharmaceutical exports from the OECD countries go to the Community. The Community's balance sheet for pharmaceutical trade with third countries is quite clearly positive.

In view of this situation, the Commission's most urgent task is to create a viable common market in the pharmaceutical sector. For this branch is still one of the most competitive in our industry. But the production of new substances calls for substantial and ever-increasing investment and research. The present compartmentalization of the market is a result partly of the business policy pursued by the pharmaceutical undertakings themselves and partly of intervention by the Member States and, in particular, of the variety of methods used in our Member States, for example to check the rise in expenditure on pharmaceutical products under their various social insurance systems.

The present compartmentalization of the market has led to major distortions of competition, together with very different earning prospects for the undertakings on the individual markets. But there is now agreement about the objective to be aimed at. That is to produce effective and safe drugs at low cost and also to offer them to the customer at an attractive price. However, there are considerable differences of opinion as to the means to achieve this aim, which sometimes lead or have led to sharp controversy. There is no drug that is totally free of risk. In fact, the most effective drugs are relatively toxic.

As regards finance, it is worth noting that expenditure on drugs, although it accounts for only a limited part of social insurance expenditure as such, is nevertheless so large and significant that we must make sure that existing drugs are used in the best possible way, in order to keep the total financial expenditure on social insurance systems under control.

Further action is urgently needed in the field of licences for putting drugs on the market. You recently received, for your information, the Commission's fourth report on the activities of the Committee on Proprietary Medicinal Products and of its working parties. The committee is paving the way for the future cooperation which is an essential prerequisite for the mutual recognition of licences. Like Parliament, the Commission feels that the Council should accept the proposal to amend the existing directives, which has been before it since December 1980, i.e. for three years.

In the field of pharmaceutical prices and social insurance, the use of Article 30 of the EEC Treaty against certain national provisions and of Articles 85 and 86 thereof against certain undertakings has so far proved the most suitable means of action. Cooperation with the national authorities responsible for fixing the prices will continue, yet in the medium term it does not seem realistic to pursue a policy of harmonizing price rules. The views of the Member States and the actual conditions diverge too widely.

But the Commission reserves itself the right to put the whole matter before the Council, on the basis also of the resolution which this Chamber is now discussing.

Narjes

It is aware that this is a technically very difficult and also politically thorny matter.

All in all, the European pharmaceutical industry has made satisfactory progress in the innovation of products and procedures. Yet we regard it as our duty to ensure that the burden on undertakings is reduced, especially the burden of toxicological tests. One reason we are doing this is because it could also reduce the excessively high number of test animals used and prevent too many test animals from being sacrificed. At the same time we will observe and identify the future needs of the pharmaceutical industry in specific areas, such as biotechnology.

The Community's third research programme in the field of medicine and the research and training programme in the field of molecular biological techniques are of basic importance and involve work on specific pharmaceutical projects.

The points raised in the amendments can be subdivided into three groups. First, the amendments on matters which have also been touched on in the motion for a resolution. Secondly, those relating to pharmaceutical problems in the developing countries, and thirdly, amendments and questions relating to general public health aspects.

On the first group of amendments, I can say that in general we see few problems. In principle we can accept them all. They are amendments Nos 2, 6 and 8 to 26.

On the amendments on the developing countries' problems in the pharmaceutical sector I would like to make the following comments. These amendments are Nos 1 and 3 to 7. The question of research into non-profitable drugs involves a very complex matter, which largely falls into the sphere of action of the pharmaceutical industry which, as you know, pays for 95% of research into drugs on its own account and on its own initiative. So the question is to what extent there is a need for further research on the basis of additional programmes.

The transfer of technology to the developing countries is also primarily a question of the industry's ability and willingness to do so and of that of the international organizations which specialize in this field, that is to say UNCTAD, UNIDO and the World Health Organization. Within its terms of reference, the Commission will of course continue as in the past to take part in the activities of the UN commissions which have concentrated on this subject matter and continue to study it.

As regards developing countries associated with the Community, we can use the procedures set out in the Lomé Convention. We will certainly have to discuss this matter in connection with Lomé III which, as you

know, will probably be negotiated from September this year.

Finally, may I draw your attention to the research and development programme, already accepted by the Council, in the field of science and technology in the service of development for 1983-86. This programme includes a sub-programme on medical care, public health and nutrition in tropical areas.

A point which was also raised in written questions concerns minimum standards for export. The high quality requirements, which were fixed partly as a result of Community-wide harmonization, are having beneficial effects both in the industrialized countries and in the developing countries. In future the developing countries will have more security as regards drugs manufactured in the Community, thanks also to the cooperation of the World Health Organization. The production of all drugs is subject to approval and is constantly monitored. In particular, the World Health Organization has introduced a quality certificate specifically for the developing countries, which they can require of any member country of that organization.

Some amendments refer to drug advertisements in third countries. The advertising of drugs is already subject to more or less stringent national regulations which would seem difficult to harmonize at this stage, if only for constitutional reasons. However, the official summary of the properties of medicinal products proposed by the Commission in 1980 could serve as a reference work for obtaining information on drugs and drug advertisements throughout the Community.

Furthermore, pharmaceutical directives have already harmonized the packaging and labelling of pharmaceutical products in the Community, so these documents are also available in third countries now.

The third group of amendments, Nos 27 to 30, concern proposals for Commission action in the field of general public health. Where they can be incorporated in the framework of existing activities and fall within the Community's terms of reference, these proposals can and will be taken into consideration.

President. — The debate is closed.

The vote will be taken at the next voting time.

7. Discharge decisions 1981 — European Parliament and European Investment Bank — Administrative expenditure for 1982

President. — The next item is a joint debate on six reports drawn up on behalf of the Committee on Budgetary Control:

President

- by Mr Konrad Schön, (Doc. 1-75/83) on the accounts of the European Parliament and the discharge in respect of the 1981 financial year;
- by Mr Konrad Schön, (Doc. 1-112/83) on the discharge to be granted to the Commission in respect of the activities of the second and third European Development Funds in the 1981 financial year;
- by Mr Gabert, (Doc. 1-97/83) on the discharge to be granted to the Commission in respect of the financial statements of the ECSC for the 1981 financial year, and on the report of the Court of Auditors on the accounts of the European Coal and Steel Community as at 31 December 1981, and on the report of the Court of Auditors on ECSC housing loans;
- by Mr Edward Kellett-Bowman, (Doc. 1-70/83) on the discharge to be granted to the Administrative Council of the European Foundation for the Improvement of Living and Working Conditions in respect of the implementation of its budget for the 1981 financial year and comments on this decision;
- by Mr Edward Kellett-Bowman, (Doc. 1-96/83) on the discharge to be granted to the Administrative Council of the European Centre for the Development of Vocational Training in respect of the implementation of its budget for the 1981 financial year and comments on this decision;
- by Mr Cousté, (Doc. 1-1309/82) on relations between the European Parliament and the European Investment Bank and ways in which Parliament may supervise the budgetary operations associated with the activities of the European Investment Bank.

Mr Aigner (EPP), Chairman of the Committee on Budgetary Control. — (DE) Mr President, as chairman of the Committee on Budgetary Control I would like to begin with a point of order. Your committee has decided — I may put it the way we put it in committee — to stop the clock for four weeks; not, like last year, to defer or refuse the discharge but in order to reach a final decision in May. We wanted to give the Commission an opportunity, in its answers to various statements which your rapporteur will put to you on behalf of the committee, to gain some room for manoeuvre, to the benefit of the Community; that means, we wanted to give it a chance to move closer to Parliament and to move a little further away from the Community institution which is putting a check on development, namely the Council. We need these four weeks simply in order to obtain a clear expression of opinion from the Commission.

Parliamentary control must take account of two essential needs. One is to obtain the possibility of applying the sanction of publicity, the second is to examine and

evaluate politically the implementation of the budget on the basis of the policies decided upon by Parliament, and the economic transparency and orderly execution of the financial operations, which here of course also includes compliance with the Financial Regulation and the internal procedural provisions. Your committee is not able to give a definitive opinion yet because it was only yesterday that the President asked us, during the discussion on the report on Parliament's own budget, to give him another opportunity to state his position on various complaints before our committee. We should use this opportunity to clear up certain contradictions which appear to have come up at the last minute.

May I make a second remark. A debate on discharge naturally relates primarily to a past financial year, in this case the 1981 financial year. But any political evaluation relating to mismanagement by an institution, whether the charge is made by Parliament or the Court of Auditors, must of course also take account of that institution's further conduct. That is to say, if for instance after mismanagement has occurred, the Commission then corrects the contested policy the following year, this must of course be taken into consideration in the evaluation and analysis of the contested matter. If the policy was corrected, Parliament has achieved what it wanted and does not need to impose any requirements, for then it is enough simply to establish that mismanagement occurred, but that a positive development has occurred since. Conversely, in the case of mismanagement in 1981, reinforced by the continued pursuit of an improper policy, the Commission's further conduct must also be taken into account in the evaluation of the discharge findings.

In summary, may I say that this week we propose discharge decisions for the following reports only: 1. ECSC, 2. the Dublin Foundation, 3. the Berlin Centre, 4. the second and third development funds, and lastly the so-called Saby report where the question of discharge does not arise but in which we put our position *vis-à-vis* the Commission on the 1982 accounts.

May I point out that both the discharge decision for 1981, which has not been submitted, and the Saby report are interim reports to Parliament and that the final discussion on the Saby report and on the report on the 1981 discharge to Parliament will quite certainly take place in May. We want to observe the budgetary provisions so that the Commission will obtain the payments, but we will not finally assess these reports until May, unless of course we are forced to discuss them now, which I would regret since some facts still need to be discussed in detail in the committee.

President. — Mr Aigner, I gather that what you are asking the Chair to do is to put to the House the question of referring the report (Doc. 1-75/83) to the committee.

Mr Aigner (EPP), *Chairman of the Committee on Budgetary Control*. — (DE) Mr President, of course I am, but it is also a question of formulating a statement and of the committee's position, since we are not observing the Financial Regulation. That is why I said that we are stopping the clock, but the Commission has a right to know why we are stopping the clock and why we are not presenting Parliament's final report until May.

President. — I accept that. That is a recommendation for referral to committee under Rule 85.

Mr Irmer (L). — (DE) Mr President, before we give our opinion on Mr Aigner's proposal, I would ask you for a binding declaration that new information really has been made available. I do find it rather surprising that the Committee on Budgetary Control determined one or two weeks ago that it could propose a discharge for Parliament for 1981 and that then, virtually a day or two before the debate, new material is suddenly supposed to have come to light which puts this decision in question again. So I would ask you to make a binding statement to the effect that President Dankert's communication to the chairman of the Committee on Budgetary Control, Mr Aigner, really does contain new information which is essential to the decision on this question of whether Parliament can be given a discharge or not; moreover, I would like to express my displeasure at the fact that this information is being given virtually at the last minute.

Mr Edward Kellett-Bowman (ED). — On a point of order, Mr President. It may have been a slip of the tongue, it may have been misinterpretation, but Mr Aigner has just proposed to the House that the Saby discharge on 1982 be delivered to the House this coming May. It will not, in fact, be before the House before April 1984. Not a discharge on 1982.

Mr Aigner (EPP), *Chairman of the Committee on Budgetary Control*. — (DE) Mr President, I think a few more remarks must be made in addition to what has been said so far. President Dankert had requested a consultation with the bureau of the Committee on Budgetary Control for yesterday. On the basis of what the President said, that bureau unanimously agreed on the need for further discussion in the Committee on Budgetary Control. It is impossible for an individual to assess whether these are entirely new facts or only old facts put forward in a new form. The committee must determine this, and that is why this question will be the first item we consider next week.

A further comment on what you said, Mr President. We did not defer the item on the agenda relating to the discharge just like that, and we must make a statement on it to the Chamber pursuant to the Financial Regulation. For the Financial Regulation lays down

deadlines, and we must justify ourselves before the Commission and explain why we need four more weeks; our rapporteur will make this statement now on behalf of the Committee on Budgetary Control, and only then can we refer the report back to committee. I ask you to take careful note of this.

Mrs Boserup (COM). — (DA) I should very much like to know what is happening here. We took great trouble on Monday to have the Saby report dealt with separately. Is this decision valid? Is there a proposal to defer the Saby report? It has been proposed to take the Saby report off the agenda. I should like to oppose that. The Saby report has nothing whatever to do with discharge. It is a special question, a duty we have, and we can perform it regardless of discharge.

Mr Aigner (EPP), *Chairman of the Committee on Budgetary Control*. — (DE) I would like to try to make clear to you what we have decided by a large majority. All we want to do today is to make the statement to the Commission which we are obliged to make, and when the Commission expresses its position on it — Mr Tugendhat, the Vice-President, told me he will give an answer — then we can decide on withdrawal or non-withdrawal. In my view we do not need a decision at all now, because the committee has stated that it will not take its final decision until the next part-session. The Saby report is a different matter, for according to the Financial Regulation we are obliged to present the accounts so that the Commission can continue its activities, and we shall do so. But we cannot give our opinion on it now, only at the next part-session. Similarly, we will only reach a final decision on the discharge for 1981 after we have examined the new facts presented by President Dankert.

We are obliged to do this because the President has stated that he has new facts at his disposal, and if in the view of the Committee on Budgetary Control new facts have emerged, then they must be examined, even if there is some suspicion that perhaps considerations which are not relevant to the matter in hand play a part here. The Committee on Budgetary Control will make sure that this is not the case. So I earnestly request you to give the floor to the general rapporteur and then to Mr Tugendhat. After that we can decide what to do.

Mr Price (ED). — Mr President, I wish to speak on a point of order. If refer you to the agenda. There is no report on the agenda on a discharge to the Commission. If it is not on the agenda, then you cannot now start discussing that subject. It relates to a report that has not yet been prepared by the committee. What is on the agenda, Mr President, relates to Parliament's discharge and only that. Mr Aigner moved the referral back to committee. If there is any doubt about that, then I move the referral back to committee of Parliament's discharge.

President. — The situation at present is that Mr Aigner has not moved the referral back to committee. I am now calling on Mr Schön, the rapporteur.

Mr Konrad Schön (EPP), rapporteur. — (DE) Mr President, ladies and gentlemen, the purpose of the statement I am making on behalf of the Committee on Budgetary Control is to explain why we are not giving our view on the final report on the discharge, whether to Parliament or specifically to the Commission, today. Mr Aigner has said that we have metaphorically stopped the clock. Why? For instance, because we still want to discuss a number of questions with you in a constructive way — and I stress the word constructive — for in our view the discharge itself is a highly political procedure, which also gives this Parliament control over the political procedure. The budget is a political declaration of intent in numerical terms and its implementation gives us a chance to examine whether this political intent was followed. And here we come to the first point, namely that the Commission on Budgetary Control did not consider that the decisions of Parliament, as part of the budgetary authority, were implemented satisfactorily in the implementation of the 1981 budget. For instance, it was found that the implementation of payment authorizations, and also of commitment authorizations, came nowhere near Parliament's political demands. This brings us to what I term a requirement, on which the Commission must state its position if we are to arrive at a discharge in May. This requirement is that the Commission must, in the framework of the procedure set out in the joint declaration of July last year, take all possible measures to ensure the utilization of the appropriations approved by Parliament in amendments in the course of the financial year, in line with the political objectives set.

There is a second point which we want to discuss in more detail with the Commission. That is the question of the management of own resources. You are all aware that in 1981, thanks largely to Parliament's pressure, some 800 million ECU were saved in the EAGGF; but instead of regarding these savings as genuine own resources and then utilizing them for other Community policies, as you know they were left with the Member States. We want to enjoin the Commission to declare that the appropriations saved during the financial year should remain in the Community budget and be carried over as a credit to the next year's budget. That would also comply with Article 11 of Regulation No 2891/77.

We also want to discuss with the Commission why it is not prepared to charge interest on defaulted payments to Member States which have delayed utilizing appropriations belonging to the Community.

My next point relates to irregularities and fraud. Here we want to encourage the Commission to take even stronger action against those who misuse or under-

mine our common policies and commit fraud. We have used a technical term for this and say that Commission should set up something like a task force, because the Community's reputation suffers if its citizens keep hearing about fraud and irregularities.

We want to combat this jointly with the Commission. That means that the Commission must have our backing and support. So our next requirement would be for the Commission to explain, in connection with these matters, how it proposes to take stronger measures to combat this fraud and, of course, to make proposals to us, perhaps also for an increase in its staff. We are quite willing to accept that, if the staff does not only earn its salary but also prevents considerable damage from being done to the Community and helps us to achieve a fair use of the taxes paid by our citizens.

The fourth point we want to discuss and which has not yet been fully clarified is the question of food aid. Various things have happened in this area. We need only look at the Court of Auditors' report. May I draw your attention to the report by Mr Irmer on a part of that general report. We must discuss this with the Commission, and our requirement here is that the Committee on Budgetary Control reserves itself the right to examine the Commission's new proposals. The Commission should submit proposals to us on how it intends to reform food aid and how it intends to implement this policy in a more efficient and effective way, in the interests of those who are supposed to benefit from it.

The next point is the question of the European Development Fund. In view of the cash problems described in the Court of Auditors' report for the 1981 financial year, and in order to emphasize more clearly the Community aspect of association policy, we want a discussion with the Commission on the budgetization of the Sixth European Development Fund. We want the Commission to come closer to our position. The Committee on Budgetary Control expects the Commission to submit a proposal on the budgetization of the Sixth European Development Fund before the opening of the negotiations with the Council. I am aware, gentlemen of the Commission, that the German Government, for instance, recently expressed a different opinion, but we must have this discussion with the Commission on the Sixth Fund, and the Commission ought to determine the procedure in advance.

Our sixth point is research policy. We regret that the Commission has not yet managed to put its ideas through, so that this extremely important Community policy can really bear fruit. We have set out our requirement on this matter and it will have to be discussed.

One word on the question of Parliament's budget. It is indeed surprising that we also want to defer this discharge to May. That is simply because new assertions were made, which we will have to examine first, in

Schön

connection with Parliament's cash management, to ensure that this report can also be adopted in May.

(Applause)

Mr Bangemann (L). — *(DE)* Mr President, I do not want to get involved in this debate about pros and cons, but would only ask you to follow the Rules of Procedure strictly in these decisions which we must now take.

Firstly, that means we cannot vote now on reports which are not on the agenda. Secondly we cannot defer the vote, because the Rules of Procedure do not provide for that either. Under the Rules of Procedure, we can, on the proposal of the rapporteur or the chairman of the committee concerned, refer back to committee a report which is on the agenda, if a majority of Members is in favour of this.

So there are only two possibilities. We can vote only on that which is on the agenda, and I ask you to ascertain which reports are on the agenda. Secondly, we can vote only on a motion by Mr Aigner, the rapporteur or a Member of Parliament for the referral back to committee of the report or reports on the agenda. But we cannot defer a vote.

Mr Edward Kellett-Bowman (ED). — I should like to follow up Mr Bangemann's point. He said that we may only vote on something that has been proposed either by the chairman or by the rapporteur. It is my understanding that the rapporteur, in the closing words of the speech he has just made, proposed to withdraw the report on the discharge in respect of Parliament's budget, i.e. Doc. 1-75/83. If that is the case, Mr President, is it in order for me formally to support that referral back to committee?

President. — I did not hear that particular proposal. It had already been mentioned by Mr Aigner and then withdrawn.

I am going to call Mr Tugendhat, because I was told that the proposal was conditional on what the Vice-President of the Commission would have to say.

Mr Edward Kellett-Bowman (ED). — Mr President, I do not believe that the Vice-President of the Commission can comment on Parliament's discharge, which is the matter being considered.

President. — Mr Aigner withdrew the proposal the last time he spoke.

Mr Aigner (EPP), Chairman of the Committee on Budgetary Control. — *(DE)* Surely the Chamber can

give the Commission the answer which the committee decided upon by a large majority, namely what the rapporteur has just stated. We now want an answer from the Commission and then we will withdraw the request for a discharge and will table it again in May.

Honourable Members, the discharge procedure is an instrument to persuade the Commission to follow a certain path favoured, by all the specialized committees. Please do not now destroy the work of the Committee on Budgetary Control. We have worked on this report for weeks and we decided what we are now saying by a large majority.

Mr Arndt (S). — *(DE)* Mr President, Mr Bangemann is quite right. That is why I move that Mr Konrad Schön's report on behalf of the Committee on Budgetary Control on the accounts of the European Parliament and the discharge in respect of the 1981 financial year, and the report by Konrad Schön on behalf of the Committee on Budgetary Control on the discharge to be granted to the Commission of the European Communities in respect of the Second and Third European Development Funds be referred back to the Committee on Budgetary Control with the instruction that both reports be re-submitted at the next part-session in May and with the request to Mr Tugendhat, Vice-President of the Commission, first to make a statement on Paragraph No 69, i.e. the referral back of both reports, because this is necessary under our Financial Regulation.

Mr Price (ED). — Mr President, mine is not a speech on the substance, it is a point of order.

Mr Arndt attached to his proposition certain comments about when this should come back before the plenary. Now, I would just ask you to rule that that is not part of the motion which Parliament is about to vote on. I say this because part of the information which led the Bureau of the Committee on Budgetary Control to ask for referral back related to matters which will not be cleared up by the next part-session. The committee may well decide therefore that it needs rather more time before bringing it back to the plenary. I ask you, Mr President, to rule that the rule under which Mr Arndt made his proposition simply requires the proposal of referral back to the committee to be put to the vote, and that alone.

President. — Can I ask Mr Arndt to confirm that he has asked me to put to the House the question of referring back Mr Schön's report, Document 75/83?

Mr Arndt (S). — *(DE)* Yes.

(Parliament approved the referral back to committee)

President. — Since voting time has now arrived, we shall adjourn the debate until tomorrow.

IN THE CHAIR: MR KLEPSCH

Vice-President

8. *Votes*¹

ARNDT REPORT (Doc. 1-72/83 — FINANCING OF THE COMMUNITY)

After paragraph 7 — Amendments Nos 3, 4 and 17/rev.

President. — I see that Mr Baillot is complaining that we are going too fast. However, if we go any slower, we will never get finished in the time available.

Mr Baillot (COM). — I was not calling the importance of the vote into question, Mr President. All I wanted to do was simply to ask you not to go so fast with the votes by show of hands.

President. — Thank you for drawing my attention to it.

(The sitting was closed at 7.35 p.m.)¹

¹ See Annex I.

¹ Agenda for next sitting: see Minutes.

ANNEX I

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.

PURVIS REPORT (Doc. 1-1197/82 — petrodollars): ADOPTED

The rapporteur was:

- IN FAVOUR OF Amendments Nos 3, 6 (1st part), 12, 13/rev., 14/rev., 15/rev., 16, 17/rev. and 25;
- AGAINST Amendments Nos 1, 2, 4, 5, 7, 8, 11, 18, 19, 20, 21, 22, 23, 24, 26, 27, 28, 29 and 30.

Explanation of vote

Mr Bonaccini (COM). — *(IT)* The voting in the Chamber on this motion for a resolution — and I have no complaint against the Presidency, which acted quite correctly — took place in an atmosphere of considerable confusion, since the resolution has made its appearance in the Chamber a number of times and then been postponed or withdrawn, without any obvious reason being apparent in the end for all the manoeuvres.

I shall simply concern myself with yesterday's debate, recalling, to begin with, that Mr Müller-Hermann and Mr Papanтониou stated that the situation had completely changed. Someone else stated that an international treaty on stability seemed absolutely premature.

Then, what can we say about the reservations put forward by Sir Fred Warner, to the effect that the manner in which the problem is being tackled is certainly unworthy of the importance and weight of the subject? And to increase the confusion, the resolution, which initially should have been about petrodollars, finished by dealing with almost every aspect of the world financial system.

Now my party wants what is best, but what is best consists, in fact, of preserving a sense of reality and of proportion. It would be a far cry from reality to bring into existence an instrument that could prove to be absolutely devoid of force, as Commissioner Ortoli pointed out to us this morning.

We voted against three paragraphs in particular of the resolution in which the duties and commitments of the various groups of countries are listed. We believe, in fact, that we have no right to tell others what they should do. In addition, we criticise the insufficient attention given to the problem of the EMS and the ECU, and on this point we echo the observations made by Commissioner Ortoli this morning.

The fundamental problem before us is to produce at Williamsburg a coordinated effort, at least in certain fields, free from wishful thinking. Do not let us forget Versailles and the disappointment that followed the solemn undertakings entered into there. For this reason we cannot approve this resolution and we shall abstain from the final vote.

MIHR REPORT (Doc. 1-849/82 — cooperative movement): ADOPTED

The rapporteur was:

- IN FAVOUR OF Amendments Nos 4, 10, 12, 19, 26, 29, 30, 31, 32, 33, 35, 36, 37 and 42;
- AGAINST Amendments Nos 1, 2, 3, 6, 7, 8, 9, 13, 14, 16, 20, 21, 22, 23, 24, 25, 27, 28, 38, 39, 40, 41, 43 and 44.

Explanations of vote

Mr Bonaccini (COM). — *(IT)* We consider that Mr Mihr gave a very clear picture of the concerted effort made by the Committee on Economic and Monetary Affairs to give the cooperative movement its proper place in Community policy. But we have no such reason to be pleased at the way in which a whole series of proposals, that were intended to improve that resolution in the spirit in which it was put forward, were rejected. I refer not only to the proposals put forward by Mr Leonardi and myself but also to those put forward in particular by Mr Balfe, Mr Caborn and others, which deserve the approval of this Assembly.

We consider it very bad that certain of the proposals were not approved — in particular, those regarding the setting up of a fund for the promotion and harmonization — note that I said ‘harmonization’ and not ‘unification’ — of the different legislations.

In spite of this, we shall vote for the resolution put forward by Mr Mihr, in appreciation, certainly, of the effort he has made but also to show a very big Italian landowners’ organization — which I understand has had something to do with some of the proposals here coming from other political parties — that we continue to consider the cooperative movement as an essential structure in the economic life of our country.

By approving this resolution, Parliament will acknowledge the fact the cooperative movement can no longer be confined simply to the moral sphere or receive purely abstract recognition, but must become an integral part of the economic and financial life of our Community and one of its supporting pillars.

For this reason we shall vote in favour of the resolution presented by Mr Mihr, despite our regret that it fell short, in parts, of what we might have hoped for.

Mr Balfe (S). — I begin, as I always do when speaking of the cooperative movement, by declaring an interest, being both sponsored by the Cooperative Party and a Director of the Royal Arsenal Cooperative Society and many of its companies.

I am therefore not surprised that the Conservatives in this Chamber have voted against all of the positive amendments which have been put forward. They voted against the fund to promote cooperatives; they voted against the information resolution at the end to pass around information on what they are doing, which is very peculiar for a group which sometimes says that it believes in Europe and sometimes says it wants its money back; and they also voted against the positive amendments drawing attention to the role that cooperatives can play in creating new jobs for ethnic minorities, women, the disabled — for all the groups they speak about so often and ignore whenever they are given a positive opportunity to do anything.

Of course, the truth of the matter is that cooperation aims to replace the capitalist ethic by a cooperative one and to build a society not on the cutlass but on cooperation and genuine assistance between different members of society. That is why I am not surprised that the Tories are, as always, against anything which seeks to end the divisions in society. I shall vote in favour of this report. I am sorry we got no more positive assistance from them.

Mr Key (S). — I also declare an interest in that I represent in this Parliament not only the British Labour Party but also the British Cooperative Movement. May I say this about the

British Cooperative Movement: last weekend, at its annual conference, it rejected a motion to take Britain out of the Community.

(Applause from the right)

The British Conservatives may applaud that statement, but by what they have done today, by rejecting the amendments tabled, they have jeopardized the support that has been given by the British Cooperative Movement to the ideal of Europe.

It is vitally important from the point of view of the Cooperative Movement in Britain and in Europe that its interests are recognized. We are a broad church in the British Cooperative Movement. We recognize the interests of cooperative movements in various parts of Europe, especially the agricultural cooperatives.

But we must plead with the Conservatives to concede that there are interests of the British Cooperative Movement that must be recognized. By their cynical attitude in rejecting some of the amendments put forward, which would have supported retail cooperatives, workers' cooperatives today, and given the Commission the opportunity of providing funds for the movement throughout Britain and Europe, they have put that opportunity for us to continue to give our wholehearted support in jeopardy. I wish they would reconsider their position. By some of their cynical attitudes today, they have slammed the door . . .

Mr Adamou (COM). — *(GR)* The resolution on cooperatives does have positive elements. For instance, it poses the problem of the development and financing of cooperatives. However, it also contains points that worry us and cause us doubt.

In the first place everything is at the level of intention. Secondly, the report contains harmful views and recommendations. Everything is dealt with in the context of EEC legislation, the Community law on cooperatives, the European statute for cooperatives, etc. Thirdly, the EEC has a stifling effect on the development of the backward Greek economy and it would have the same effect on the development of the cooperative movement.

We shall not vote against the motion, of course, but neither shall we vote for it. We shall abstain from voting.

Mr Pranchère (COM). — *(FR)* The essential interest of the Mihr report is that it draws attention to the importance and the role of the cooperative movement in the Community. In my country, we intend to give a bigger role in economic and social life to all forms of cooperative and mutual society. We give support and encouragement to cooperatives, especially farmers' cooperatives. Their contribution to the development of agriculture is specific and original, providing one of the main sources of its dynamism. The Commission and the Council should take fuller account of their role in market organization. Specific facilities should be made available to assist the formation and running of cooperatives. At the same time, however, it is necessary to recognize the originality and independence of the cooperative movement, which is not homogeneous but takes many forms varying from one Member State to another, so that this does not mean confining it within a corset of harmonized European legislation on cooperatives. The Mihr report contains many positive features, even though we have reservations about the legal aspects. However, in view of the adoption of the British conservatives' amendments, which considerably play down the cooperatives' role and are aimed at depriving them of the incentives that they need, we are obliged to abstain, although we shall continue to lend our support to the cooperative movement in France.

Mr Frischmann (COM). — *(FR)* I should have liked to draw attention to an important aspect of the motion for a resolution. This is in paragraph 3, which refers to measures to facilitate the 'conversion into cooperatives of undertakings threatened by crises'. We are very much in favour of this idea and would like to see it acted upon in all cases in which such a solution appears viable. It is in fact remarkable that out of over a thousand workers' production cooperatives in France — the number has doubled in the space of a year — a

third are former companies abandoned by their owners and now run by labour, staff and management who decided to revive them in order to save jobs. In the midst of all the efforts that have been made to find solutions during this period of crisis, this one — the cooperative movement taking over from failed employers — has been put into practice. We could have voted in favour of Mr Mihr's report and the motion, but the approval of some of the British Conservatives' amendments obliges us to abstain because they really go too far in reducing the role of the cooperatives. The workers will once again draw the only possible conclusion.

Mr Welsh (ED). — My group welcomes the fact that the Mihr resolution has passed the House in the form that it left the Committee on Economic and Monetary Affairs. We welcome it precisely because we are very much in favour of cooperatives.

(Interruptions from the Socialist benches)

We recognize them as valuable and useful bodies and we frankly believe that people who profess to be the spokesmen of cooperatives and who move a lot of self-serving amendments asking for commitments that they know cannot possibly be made or kept actually do their movement no service whatever.

Our point is simply this. The status of cooperatives must be recognized, but a cooperative is not a sort of economic organization that is totally superior to or takes precedence over every other sort. That is the sole point of our amendments.

I would like to make one other point, if I may, Mr President, and it is this. By adopting the amendment to paragraph 2, the House has inserted the word 'voluntary' in reference to agricultural cooperatives. In the unique terms of the British milk delivery system, this could be interpreted as a weakening of the authority of the Milk Marketing Board. For that reason members of my group voted against that amendment, and we are, of course, quite sure that the movers did not understand the implications in British terms of the amendment they were moving. We will certainly support the Mihr report with happy hearts, because we feel it accurately reflects the true aspirations of the cooperatives. But in doing so we wish to dissociate ourselves from any implication at all that we wish to undermine the position of the Milk Marketing Board.

(Applause from the European Democratic Group)

Mr Seal (S). — It is very unusual for me to actually speak after Mr Welsh.

(Laughter)

May I start by congratulating Mr Mihr on this report and on all the hard work he has put into it. I should like to add that I am also speaking as a member of the British Cooperative Party.

Just to put the record straight, I would like to say that Resolution 29 which was passed this year in the UK called for them to campaign for the Labour Party policy on withdrawing from the Community.

The amendments which we put forward, which unfortunately were not supported, were in fact accepted by the rapporteur, Mr Mihr, who realized that they would improve the report. But their rejection by the Tories, in spite of the fine rhetoric by Mr Welsh, showed that Mr Welsh and his colleagues are not in favour of cooperatives as such.

As we know in the United Kingdom, the spontaneous rise of many cooperatives has created hundreds upon hundreds of jobs. But, obviously, this goes against the kind of reactionary Tory Party ideology preached by Mr Welsh and his colleagues not only in the United Kingdom but also now in this Chamber.

(Cries of 'hear, hear')

Cooperatives are important, and it is very sad that the Conservatives in this House have not accepted the advice of the rapporteur. But even so we will support this report.

(Applause from the left)

Mrs Desouches (S), *in writing*. — *(FR)* The hopes that we placed in the report on cooperatives were commensurate with the interest that we take in cooperatives and the development of the cooperative movement.

However, Parliament has rejected all reference to agricultural cooperatives, deleting the words recognizing the important role that they play in market organization and regional development.

Parliament has also refused to investigate the need for complete or partial harmonization of Member States laws on cooperatives, to call upon the Commission to set up a liaison office through which contact could be maintained between cooperatives and the Community institutions, and to draft the constitution of a European fund for the development of cooperatives to support and encourage the cooperative movement in the European Community.

It is to say the least strange, in the Year of the Craft Industry and Small and Medium-Sized Undertakings and just when Parliament is about to devote a sitting to the employment problem, that a majority of this House should reject this type of aid to cooperatives, which could make a significant contribution to efforts to combat unemployment.

By what logic is it possible to talk in one breath of the Community market and bringing down the various barriers and in the next flatly refuse to consider the possibility of harmonizing laws? How is it possible to withhold from cooperatives what is allowed under the law on commercial companies?

Despite these omissions, which reduce the report on cooperatives to an empty shell, it has to be recognized that it is at least on the record, that it has provided the basis for a thorough debate on the subject, and that we can hope for better opportunities in the future to flesh out this empty shell.

Mrs Elaine Kellet-Bowman (ED), *in writing*. — I am very glad that Parliament accepted the European Democratic Group's amendment to the resolution recognizing the particular importance of agricultural cooperatives in improving the efficiency of producers while preserving the basic structure of the small farms. They are invaluable in enabling small farms to buy and sell on equal terms with large farmers and to compete successfully.

We have in the United Kingdom some of the finest cooperatives in Europe, namely, our marketing Boards and hope these will go from strength to strength.

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ARNDT REPORT (Doc. 1-72/83 — Community financing): ADOPTED

The rapporteur was:

- IN FAVOUR OF Amendments Nos 7, 8, 10, 14, 15/rev., 16 and 17/rev.
- AGAINST Amendments Nos 1, 2, 3, 4, 5, 6, 9, 11, 12, 13, 18, 19 and 20.

Explanations of vote

Mr de la Malène (DEP). — *(FR)* We have already had the opportunity to express our disapproval of both the procedural and the substantive aspects of the approach adopted to this debate on a matter of capital importance to the future of our Community. We had before us a document drafted by the Commission which invited our opinion, either directly or indirectly. We have given no such opinion. We have asked questions, but we shall not have had the opportunity to state our position before the Commission draws up its definitive text, since it will not be able to reply in the meantime.

It has to be said that the procedure adopted on our behalf by the Committee on Budgets has unmanned our Parliament, although it must state its opinion on such a vital matter. We shall be considering the substantive issues in May but of course the Commission will not have had an opportunity to reply to our questions in the meantime, so that there will not even have been a guideline vote from this House. We deplore this and shall be voting against the report for the substantive and procedural reasons that I have stated.

(Applause)

Mr Alavanos (COM). — *(GR)* Those of us who belong to the Communist Party of Greece will vote against the Arndt resolution, though not, of course, because we agree with the Commission. Naturally, it is difficult for one to agree or disagree with questions, but we disagree with the logic behind the questions, with the logic of increasing the Community budget which, in turn, means an ever heavier burden falling on our country because of its membership of the European Community.

We should like to take this opportunity of calling on the Greek Government to be wary of falling into the trap of espousing the 'logic of the beggar', towards which it is being pushed by the Right. This means that the budget is judged by the sole criterion of whether it provides fewer or more units of account, while at the same time the enormous cost to Greek industry, Greek small and medium-sized businesses and the Greek farming community of our remaining in the EEC is ignored.

Mrs Castle (S). — I know this is only an interim report. In many ways it asks some excellent questions, and I would have no objection to it if it stopped there. But paragraph 5 makes it impossible for me to vote for this report, because paragraph 5 does not contain a question, it contains a positive invitation to the Commission to announce a binding timetable for the final abolition of the temporary exemptions from the value-added tax system. What that means in British terms is this. At present Britain and Ireland refuse to put value-added tax on food — alone in all the Member States of the Community. In Britain we have been allowed zero rating for food and for other vital essentials like children's clothing and footwear, and the Commission is now keeping up the pressure and building it up to get the zero rating allowance abolished! This paragraph is an open invitation to the Commission to continue with this work.

(The President urged the speaker to conclude)

Worse still, we also have pressure building up in the Commission for a move from the right of veto on such changes to majority voting. Gaston Thorn's speech earlier this week was full of the need to move to majority voting on crucial issues of national interest. I am sorry to say that the British Conservatives gave a shocking example of it last year when they supported majority voting on the farm price increase. . .

President. — Mrs Castle, I am afraid that I must interrupt you. The speaking time at your disposal for your explanation of vote has run out. . .

Mrs Castle (S). — Mr President, I have noticed that it is the practice to give everybody else a warning when their one and a half minutes are up. Never does the chair extend me that courtesy! All that happens is that I am interrupted, and while I am being interrupted my speech is cut off. May I ask for the same courteous treatment as every other Member gets?

President. — Mrs Castle, I must defend myself against your reproaches. When your speaking time was up, I gave you a warning sign, but you took no notice of it. I interrupted you ten seconds later, and it was only because you are a lady that I allowed you to speak for a further ten seconds. I really must ask you to appreciate that there is no other way I could have acted.

Mrs van den Heuvel (S). — *(NL)* Mr President, I should like to make a formal protest that you are discriminating against men.

(Applause)

President. — Well, I must say I like that! Mrs Castle criticizes me for discriminating against women, and you criticize me for discriminating against men!

(Laughter)

Mr Baillot (COM), in writing. — *(FR)* During the debate the French Communist and Allied Members made known their opinions on the need for the Commission to present proposals for the financing of the Community which took account of economic realities.

They had hoped that the debate would be taken as an opportunity to give a positive lead to the Commission. This hope has proved to be unfounded. Moreover, the rejection of their amendments, particularly that calling for the development of new common policies without compromising the common agricultural policy, leaves them no alternative but to vote against the Arndt report.

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ANNEX II

I. QUESTIONS TO THE COUNCIL

Question No 2, by Mr Balfe (H-710/82)

Subject: European Convention on Human Rights and Fundamental Freedoms

In response to my question H-553/82,¹ the Council stated that it had no position on the matter of the accession of the Communities to the European Convention on Human Rights and Fundamental Freedoms 'as it has not had occasion to discuss the substance of this matter'.

Can the Council state when it expects to have a discussion on the matter?

Answer

The Council, which has taken note of the European Parliament's Resolution of 29 October 1982 embodying its opinion on the Commission Memorandum of 3 May 1979, noted that in point 7 of that Resolution, the Commission is requested to submit as soon as possible to the Council a formal proposal for the accession of the European Communities to the Convention for the Protection of Human Rights and Fundamental Freedoms. The Council therefore prefers to wait until the Commission responds to this request from the European Parliament.

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Question No 3 by Mr Schwencke (H-717/82)

Subject: Community offices in the Federal Republic of Germany

Is the Council prepared to support the call for establishing two more Community offices in the Federal Republic of Germany, specifically in the capital of Lower Saxony, Hanover, where an important trade fair is held, and in Stuttgart?

Answer

The establishment of new offices falls under the information programme drawn up annually by the Commission within the limits of the appropriations allocated to it, for the implementation of which it has sole responsibility. The Commission informs the Council of its information programme and the policy it intends to pursue in this matter but the Council does not comment expressly on the various measures planned.

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¹ Verbatim report of proceedings on 15. 12. 1982 (provisional edition).

Question No 11, by Mr de Ferranti (H-701/82)

Subject: Establishing Community preference in the non-tariff field

What progress has been made towards reaching agreement on the thirty Internal Market Directives on which the European Council ordered a decision by March 30 specifically on the vital central question of the testing, and granting type approval of imports from third countries?

Answer

The discussions in the Council on 1 February and 1 March concerning the priority measures proposed by the Commission for strengthening the internal market have now made it possible to concentrate on a draft clause relating to conformity checks for products from non-member countries. Discussions are now proceeding on Community procedures for covering possible decisions to be taken under that clause.

The European Council on 21 and 22 March 1983 took note of the progress made in this field. It stressed the importance of taking decisions between now and June in all priority areas as defined in Copenhagen. The European Council noted with satisfaction that the Council's work programme included insurance and other services. It agreed to pay particular attention to the improvement of border formalities.

The Presidency is doing everything possible to enable the Council to achieve a balanced compromise as soon as possible on these questions so that measures to abolish barriers to trade, which are essential if the internal Community market is to be strengthened, can continue.

The Council has made further progress in respect of the internal market.

On 28 March it adopted:

- two directives on exemption from duties applicable to temporary imports of certain means of transport and to the permanent imports of the personal property of private individuals;
- a directive on exemption from VAT of certain permanent imports of goods;
- a regulation on the introduction of Community arrangements for exemption from customs duties, together with
- a directive on the standardization of provisions relating to the duty-free entry of fuel contained in the fuel tanks of utilitarian motor vehicles.

On 28 March the Council also adopted the directive on an information procedure in the area of technical standards and rules. Thus considerable progress has been made in regard to the free movement of people and goods, fiscal arrangements and simplification of checks at internal frontiers.

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Question No 13 by Mr Radoux (H-757/82)

Subject: 1983 as the 'Year of the Craft Industry and Small and Medium-Sized Undertakings'

With reference to the preliminary statement on the above subject which the President-in-Office made in his address to the European Parliament on 11 January 1983, could the Council state what initiatives it has in mind for the Commission's opinion and proposal?

Answer

The year 1983 as European Year of the Craft Industry and Small and Medium-Sized Undertakings provides the opportunity of increasing awareness in the Community of policy affecting small and medium-sized undertakings and giving greater importance to the interest of those undertakings in Community policy. The Resolution of the European Parliament of 19 February 1982 and the opinions of the Commission and the Economic and Social Committee offer useful suggestions to this end.

In discussing a European Policy for small and medium-sized undertakings, it is very important to clearly allocate tasks to the Community and the Member States respectively. The fundamental concern here must be to include the interests of small and medium-sized undertakings in the Community's overall economic and social policy, and to take account of such interests when economic, legal, social and tax frameworks are being established by the Community.

Specific measures to help remove disadvantages arising from the size of undertakings should however be introduced in the first place by the Member States. But it could be useful at European level to provide for certain information, coordination and voting mechanisms for important measures to help small and medium-sized undertakings.

Particular stress was laid on these fundamental aspects by the German Federal Minister for Economic Affairs, Graf Lambsdorff, in his speech at the conference in Brussels opening the European Year of the Craft Industry and Small and Medium-Sized Undertakings on 21 January 1983.

The Presidency welcomes the fact that there is agreement between the European Parliament, the Council and Commission on the aims of this European Year. We await with interest an exchange of views at national and European level. We must wait and see what steps the Commission takes in the light of the outcome of that discussion when 1983 is over.

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Question No 15, by Mr Griffiths (H-819/82)

Subject: Spanish and Portuguese entry into the EEC

Given the continuing commitment of investment from the ERDF, non quota section, to help France, Italy and Greece prepare for the further enlargement of the Community, can the Council guarantee that the date for Spanish and Portuguese entry will be set before the first of these programmes is completed?

Answer

With an eye to the forthcoming enlargement of the Community, the Council, as part of a first series of ERDF non-quota measures, adopted Regulation No 2615/80 in November 1980 with the aim of enabling certain French and Italian regions to adapt and develop in preparation for enlargement. The regions in question are characterized by an exceptionally high rate of employment in agriculture, dependence on Mediterranean agricultural production, weakness of the industrial fabric, a low level of activity and a high level of unemployment.

Still with enlargement in mind, the Commission submitted two proposals for Regulations in November 1982; one was designed to amend the aforementioned 1980 Regulation and double the financial allocation, while the other was designed to enable certain Greek regions also to adapt and develop in preparation for enlargement. Parliament has been asked to deliver its Opinion on these two proposals.

Implementation of the measures covered by these Regulations is in no way subject to the fixing of a date for Spanish and Portuguese entry. If it were, the measures would be point-

less. The same is true of implementation of the pre-accession aid which Portugal receives from the Community or the implementation of financial cooperation between the Community and Spain in the run-up to Spanish accession.

What is more, the date of Spanish entry and the date of Portuguese entry obviously cannot be prejudged, since the accession negotiations with each of those two countries are still under way.

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Question No 17, by Mr Antoniozzi (H-832/82)

Subject: Working hours

In the light of similar recent proposals by the Italian Employment Minister, does the Council not feel that the Ministers for Social Affairs of the European Community should hold an extraordinary meeting to consider the reorganization of working hours with a view to submitting practical proposals at a forthcoming meeting of the European Council at which the Heads of State and Government could agree on common approaches in an area which is so important for economic, commercial and social harmonization in the context of progress towards European economic and political union?

Answer

Following the memorandum submitted by the Commission on the reduction and reorganization of working hours and in accordance with the instructions given by the European Council, the Council intends to deliberate on this subject at its meeting (Labour and Social Affairs) scheduled for the beginning of June.

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Question No 20, by Mr Seal (H-8/83)

Subject: Deaths of tourists in Portugal

There have been at least sixteen deaths of tourists in the Portuguese Algarve, due to carbon monoxide poisoning from faulty heating systems.

In view of the fact that the Portuguese government has failed to respond effectively to these deaths, would the Council of Ministers inform the Portuguese Government that discussions regarding Portugal's entry to the EEC cannot continue until they have effectively remedied the situation?

Answer

The events referred to by the honourable Member, which are still being investigated in Portugal, are the sole responsibility of the Portuguese administrative and legal authorities.

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Question No 22, by Mr Rumor (H-15/83)

Subject: Information on an attempt to abolish legitimate democracy in Greece

Both the international and Greek press have carried extensive reports of suspicious and unexplained mobilization in Greece on 26 and 27 February 1983 at the instigation of certain parties and directed at the legitimate democracy of this Member State.

Since the Greek Government has so far proved unwilling to inform the members of the Greek Parliament and interested European and international circles of what actually happened, can the Council, after consulting the Greek Government, indicate the dangers which have threatened and may still threaten the democratic parliamentary regime in Greece at the instigation of the armed forces or of certain fanatic supporters of political parties?

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Question No 23, by Mr von Wogau (H-16/83)

Subject: Information on an attempt to abolish legitimate democracy in Greece

Both the international and Greek press have carried extensive reports of suspicious and unexplained mobilization in Greece on 26 and 27 February 1983 at the instigation of certain parties and directed at the legitimate democracy of this Member State.

Since the Greek Government has so far proved unwilling to inform the members of the Greek Parliament and interested European and international circles of what actually happened, can the Council, after consulting the Greek Government, indicate the dangers which have threatened and may still threaten the democratic parliamentary regime in Greece at the instigation of the armed forces or of certain fanatic supporters of political parties?

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Question No 25 by Mr Kyrkos (H-35/83)

Subject: The position of the Council with regard to the question by Mr Rumor¹ on the mobilization of forces against democracy in Greece

In a question to the Council of Ministers, Mr M. Rumor, MEP, seems to espouse the view of right-wing circles in Greece to the effect that a mobilization of supporters of Greek parties including the government party occurred and that these events amounted to a threat to democracy in Greece.

Does the Council intend refusing all discussion of this issue which, as it concerns exclusively Greek political parties, would clearly constitute interference in the internal affairs of a Member State of the European Communities?

Joint Answer

The questions put by the Honourable Members do not fall within the Council's jurisdiction.

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Question No 27 by Mr Müller-Hermann (H-23/83)

Subject: Composition of the Council of Ministers

Can the Council give an assurance that the proceedings of the Council of Ministers will in future be attended by politically responsible representatives of the governments of the

¹ Oral question (H-15/83).

Member States and not by high-ranking officials who have no authority to reach political decisions which inevitably complicates the course of the negotiations?

Answer

The Council would draw the attention of the Honourable Member to the provisions of EEC Article 146, which stipulates that the Council is to consist of representatives of the Member States, with each Government delegating to it one of its members.

It emerges from this that it is up to each Government to decide whom it judges fit to represent it at meetings of the Council.

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Question No 28 by Mrs Weber (H-27/83)

Subject: Dangerous waste

Article 16 of Directive 78/319/EEC on toxic and dangerous waste requires the Member States to submit at intervals of 3 years and for the first time 3 years after publication of the directive, a report to the Commission on the elimination of toxic and dangerous waste in their respective countries. The Commission then forwards the report to the other Member States. It must also report to the Council and the European Parliament every 3 years on the implementation of the directive. Have the Member States and the Commission complied with these requirements and what, if any, results has the Council arrived at in its consideration of the Commission's report

Answer

The Council has still not received the report which the Commission must submit to it on the implementation by the Member States of the Directive on toxic and dangerous waste.

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Question No 29 by Mr Denis (H-28/83)

Subject: Resumption of food aid to Vietnam

In answer to the question of 8 March 1983 on the subject of discrimination by the EEC against Vietnam, Mr Genscher gave no commitment as regards the resumption of emergency food aid.

Was the President of the Council speaking on behalf of the Ten or not, given that 3 Member States, including France, have already resumed emergency aid to Vietnam?

Answer

In my reply to Question H-787/82 on food aid to Vietnam I spoke on behalf of the Council.

The fact that certain Member States have continued or resumed their emergency aid to Vietnam forms part of their bilateral relations with Vietnam and in no way affects the Community's attitude as such to the question of food aid to Vietnam.

I would add that at the 4th Conference at Ministerial level between ASEAN and the EEC, all the Member States of the latter reiterated their position that no aid should be granted

to Vietnam which would be such as to sustain or reinforce the occupation of Kampuchea by Vietnamese forces.

Since food aid to Vietnam was suspended (in July 1979), the Commission has not presented any proposal to resume this type of aid within the framework of annual proposals.

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Question No 30 by Mr Bonde (H-40/83)

Subject: Embargo on Soviet goods coming into Denmark

Will the Council confirm that the regulation placing an embargo on Soviet goods has not been legally valid in Denmark since 1 March; will the Council also confirm that Denmark has not entered into any obligation to impose national sanctions from 1 March; and will the Council in conclusion confirm that it is now quite lawful to import into Denmark from the Soviet Union upright pianos and other goods covered by the earlier embargo?

Answer

1. The regulation amending the import arrangement for certain products originating in the USSR, which the Council adopted on 15 March 1982, and extended on 23 December 1982, is applicable in all Member States until 31 December 1983, unless amended or repealed before that date. Furthermore, the suspension of these measures in respect of import into Greece which was decided by the Council in March 1982 remains valid.
2. At the Council meeting on 21 February 1983 the Foreign Minister of Denmark declared that the Danish Government, with a reference to Article 224 of the Treaty of Rome, would cease to apply the provisions of the regulation as of 1 March 1983. The Council took note of the Danish declaration.
3. The Danish Government has informed the Council and the Commission that it has adopted measures which prohibit the re-export to other Member States of goods which are covered by the Council regulation.

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II. *Questions to the foreign ministers*

Question No 33 by Mr Galland (H-755/82)

Subject: An international conference for Afghanistan

On the third anniversary of the Soviet invasion of Afghanistan Mr Genscher, Foreign Minister of the Federal Republic of Germany, called again on the USSR to withdraw its troops from that country and to allow the Afghan people to exercise freely its right to independence and autonomy. Mr Genscher also revived the proposal made by the Commission of the European Communities for an international conference which he saw as the only realistic way of finding an acceptable solution.

Do the ministers intend to associate themselves with this renewed proposal and, if so, in what way?

Answer

The European Council's proposal of 30 June 1981 for a political solution of the Afghanistan question was conveyed to the Soviet Union, and this remains the position.

The Ten feel that their proposal for an international conference in two stages constitutes a realistic approach to a solution of this kind.

The European Council and the Member State governments will continue to call attention to this proposal, as was done by the European Council in Copenhagen on 3 and 4 December 1982.

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Question No 36 by Mr Antoniozzi (H-802/82)

Subject: Invasion of Thai territory

What is the Council's reaction to the widespread reports of the invasion of Thai territory by Vietnamese troops and what political initiatives does it intend to take to encourage the parties to reach a negotiated settlement of this situation which could become a threat to peace in the Far East?

Answer

Vietnam's military operations since the beginning of this year in the Cambodia-Thailand border area, in the course of which there have been incursions into Thai territory, have been raised in the various institutions concerned with European political cooperation. The Vietnamese operations and the matter of a political solution to the Cambodian question were in the forefront of discussions at the EEC-ASEAN Foreign Ministers' Conference in Bangkok.

The joint declaration of the EEC-ASEAN meeting of Foreign Ministers stresses the consistent approach of the Ten to the Cambodian question and their full agreement with the ASEAN states, who are making a particular effort to bring about a comprehensive political solution. The main points are the following:

- Regret at the attacks by Vietnamese armed forces on the Nong Chan border camp, which constitute an infringement of basic humanitarian principles and of the UN Charter. What has been said of Nong Chan applies with equal force to the more recent attacks on other refugee camps.
- Concern at Vietnam's continuing military presence in Cambodia and its refusal to heed the appeals of the international community to withdraw its troops;
- support for resolutions on the Cambodian question adopted with large and growing majorities by the United Nations General Assembly and declarations of the International Cambodia Conference;
- Approval of the efforts of the *ad hoc* committee of the International Cambodia Conference to bring about a peaceful solution, and appeals to Vietnam and other states concerned to participate.

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Question No 38 by Mr Adamou (H-4/83)

Subject: Statements by the Minister of the Interior of the Federal Republic of Germany

In a speech given on 2. March 83 in Munich, the Minister of the Interior of the Federal Republic of Germany, Mr Zimmermann, stated that the government coalition in Bonn had not reduced its claims as regards the unification of the two parts of Germany and was also examining the border problem posed by the Oder and Neisse rivers (which form part of

present-day Poland) and that Germany as a unified state had never signed a peace treaty at the end of the Second World War.

How do the Foreign Ministers of the European Communities meeting in political cooperation view these statements by Mr Zimmerman, which disregard the treaties signed by the Federal Republic of Germany at the beginning of the 1970s with Poland, the German Democratic Republic and the Soviet Union?

Answer

The Foreign Ministers of the Ten have not discussed this question. Consequently I cannot comment on it. Moreover, I would draw attention to the letter of the then President of the Council, Mr Thorn, of 10 May 1976 to the President of the European Parliament. In that letter, which was brought to the attention of all Members of Parliament, it was pointed out that the working rules of EPC do not permit answers to be given to questions which relate to the individual policy of one or more Member States.

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Question No 39, by Mr Balfe (H-9/83)

Subject: Release of Nelson Mandela and David Kitson

Are the Foreign Ministers willing to make representations to the South African Government concerning the release of Nelson Mandela and David Kitson?

Answer

The Ten have repeatedly voiced their concern with regard to repressive measures being taken against opponents of the apartheid system in South Africa, both in public statements and also in communications to the South African Government.

The Ten will continue to avail themselves of every suitable opportunity to demand respect for human rights and to advocate the release of political prisoners.

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Question No 41, by Mr Moreland (H-32/83)

Subject: Zimbabwe

Are the Ministers concerned about the current political situation in Zimbabwe particularly in Matabeleland and about the reports of atrocities?

Answer

The Ten are paying close attention to the situation in Zimbabwe. Generous tributes were paid throughout the world to Zimbabwe because of the exemplary policy of reconciliation pursued by the Prime Minister, Mr Mugabe, after the attainment of independence. The Ten welcomed this policy and would like to see it continued to the benefit of Zimbabwe and of that entire part of Africa. They are, therefore, very concerned about reports of

political tensions and atrocities in Matabeleland. The Ten have noted the assurances given by the Zimbabwe Government that reports of atrocities will be thoroughly investigated.

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Question No 42, by Mr Seligman (H-33/83)

Subject: Civil defence

In view of the impact of a nuclear attack on social and medical facilities in each Member State and between Member States, will the Foreign Ministers place this matter on their agenda, (see my previous question H-790/82)¹ in order to ensure the best possible contingency planning among them?

Answer

The Ministers for Home Affairs are basically responsible for questions of civil defence. In addition to bilateral exchanges of information, discussions on civil defence are also held within the framework of the Atlantic Alliance, to which nine of the Member States belong.

The Foreign Ministers of the Ten do not intend to put civil defence questions on their agenda.

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Question No 43, by Mr Purvis (H-36/83)

Subject: Baha'i community in Iran

What is the current position of the Baha'i community in Iran and what action are the Ministers taking to bring pressure on the Iranian authorities to respect their right to life and liberty?

Answer

According to the information available to us, the situation of the Baha'is in Iran has not improved in recent times. Iranian newspapers reported in February 1983 that 22 Baha'is had been condemned to death in the town of Shiraz. The only reason given for the death penalty was that they were leading members of the local Baha'i community and that they had links with a Baha'i centre abroad. Baha'is living in the Western world have also learned that three Baha'is were executed in Iran on 12 March.

On 23 March, in accordance with the European Parliament's resolution of 10 March 1983, the Council Presidency, acting on behalf of all the EEC Member States, conveyed an urgent request to the Iranian Ambassador in Bonn that there be no further executions. This step became necessary after the Foreign Ministry in Teheran had refused to receive the representative of the Presidency about this matter.

The Ten have repeatedly called for respect for human rights in Iran and for the protection of the lives and liberty of the Baha'i community. Thus on 17 July and 27 December 1982 the representative of the Presidency (held at that time by Denmark) made approaches to the Iranian Government in Teheran on behalf of the Ten and with the support of other Western countries.

¹ Verbatim report of proceedings on 9. 3. 1983, p. 171 (prov. edition).

At its 39th meeting in Geneva from 31 January to 11 March 1983, the UN Human Rights Commission adopted a resolution on the subject of human rights in Iran, all the member countries of the European Communities voting in favour. In this resolution the Human Rights Commission voices its concern about violations of human rights in Iran, including religious intolerance and persecution, and requests the Secretary-General of the UN to take up this question with the Iranian Government.

The government of the Ten will continue to keep a watchful eye in future on the situation with regard to human rights in Iran, and particularly the position of the Baha'i community, and will not hesitate to press the Iranian Government to exercise respect for human rights.

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Question No 44 by Mr Romualdi (H-51/83)

Subject: Objectives of the mission of the international peace-keeping force

What view do the Foreign Ministers take of the military and political situation in Lebanon following the attacks on the Italian and American contingents of the international peace-keeping force, and, in the light of this situation, do the conditions prevailing still justify the objectives of the mission of the international peace-keeping force?

Answer

The Ten have given their full backing to the deployment and maintenance, at the request of the Lebanese government, of the multinational peace-keeping force in Beirut. Three Member States — France, Italy and the United Kingdom — have sent troop contingents. Other Member States are considering measures that will enable them to make the best contribution they can, directly or indirectly, to the logistical and material support of the force.

The objective of the peace-keeping force is to assist the Lebanese government in restoring law and order in Beirut, thereby strengthening its authority. The force has performed its duties with marked competence and has contributed effectively, within the terms of its mandate, to bringing about a peaceful solution to the Lebanon problem.

In the opinion of the Ten the objectives of the force continue to be justified.

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Question No 45, by Mr Pattison (H-53/83)

Subject: Deportation of Irish priest from Chile

Are the Ministers aware of the recent expulsion from Chile of some Irish priests, and has any action been taken to condemn these, and the many other deportations from Chile, and what action is proposed to bring home to the Chilean authorities the repugnance felt in the Community at the continued arrests and deportations which are in infringement of basic human rights and freedom?

Answer

The position with regard to human rights in Chile, as in other countries, is being followed by the Ten with close attention and keen concern.

This concern on the part of the Ten, which extends to restrictions on civil and political rights, e.g. the practice of banishment and deportation, has been voiced by the Presidency on behalf of the Ten (e.g. joint declaration by the Ten at the 37th UN General Assembly) and by individual countries in various international bodies, most recently at the 39th meeting of the UN Human Rights Commission in Geneva, and in bilateral contacts.

The Ten once again expressed the hope that the first measures taken by the Chilean Government to facilitate the return of Chilean citizens in exile will be followed by further steps designed to solve this problem.

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III. *Questions to the Commission*

Question by Mrs Theobald-Paoli (H-721/82)¹

Subject: Emergency aid for a region hit by drought

1. Since the beginning of the year the Provence-Alpes-Côte d'Azur region of France, particularly the department of Var, has been experiencing an acute drought.
2. The economic consequences are disastrous for agriculture and industries drawing on available water supplies and for the Mediterranean forests, which are being ravaged by fire.

The tourist industry may also suffer as a result of the drought.

3. In recent years the Commission has demonstrated Europe's solidarity by granting specific aid to regions hit by natural disasters.
4. Will the Commission now grant emergency aid to this drought-affected region?

Answer

The Commission departments have not received from the French authorities any official information as to the need for emergency aid for the region to which the honourable Member refers.

The Commission would point out that emergency Community aid under Article 690 of the budget is intended for natural disasters of exceptional magnitude and gravity for the local population and its purpose is to offer a symbolic testimony of Community solidarity by helping to support their lives and means of existence.

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Question No 50, by Mr Schwenke (H-769/82)

Subject: Community information offices in the Federal Republic of Germany

When will the Commission submit its proposal on the setting up of one or possibly two, additional Community information offices in the Federal Republic of Germany and will

¹ Former oral question without debate (O-66/82) converted into a question for Question Time.

priority be given to Hanover in view of that city's role as 'Land' capital and trade fair centre?

Answer

The Commission has decided in principle to open, among other things, two offices in Germany.

However, as the Commission has already pointed out in its answer to Written Question No 1383/82 by Mr Couste, the implementation of the project depends on the budgetary authorities, who have not placed at the Commission's disposal for the 1983 budgetary year the necessary funding for the office personnel.

As regards the siting of the office, the Commission will make a decision in accordance with its information-policy priorities.

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Question No 51, by Mr Balfe (H-785/82)

Subject: Invalidity arrangements at the European Commission

Will the EEC Commission comment on reports that a growing number of its officials are taking advantage of the very generous invalidity arrangements which allow premature retirement on about 70% of salary in cases of persistent sickness?

Will the Commission state how many Commission staff have been granted invalidity and is it correct that as many as 50 or 60 cases occurred last year?

Will the Commission also give an assurance that all those receiving invalidity pensions are given proper medical examinations at intervals after leaving EEC employment?

Answer

Retirement on grounds of invalidity is provided for under Article 78 of the Staff Regulations. Decisions on cases are taken solely on medical grounds by an independent panel of doctors which is composed of one doctor selected by the official concerned, a second selected by the institution and the third by the agreement of the previous two.

The pension payable can equal a maximum of 70% but only if the official concerned would otherwise have achieved this maximum. It is often much less.

A growing number of officials have been retired on grounds of invalidity; in 1982 a total of 171 out of the total staff of 12 000. This reflects above all the increasing average age of Commission officials, some thirty years after the creation of the European public services.

Periodic examinations are undertaken to certify that grounds of invalidity remain valid except where this is clearly unnecessary as where, for example, the grounds of invalidity are clearly unalterable.

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Question No 53, by Mr Eisma (H-817/82)

Subject: Medical training

When did the Commission ask the Advisory Committee on Medical Training and the Committee of Senior Officials on Public Health for their opinions? When were these opi-

nions delivered, or when can they be expected, and when will the Commission submit a proposal to the Council?

Answer

1. The Advisory Committee on Medical Training is required to deliver opinions and make recommendations in the area of medical training either on its own initiative or at the request of the Commission. Since it began work in May 1978 it has delivered 8 opinions, recommendations and reports on medical training addressed to the Commission and to the Member States.

At the Commission's request the Advisory Committee on Medical Training delivered, in particular, two opinions which are the basis for two amendments to the so-called 'medical doctors' directives of 1975:

- firstly, the opinion on part-time further training for specialists of 28 November 1978 played a very important role in the preparatory work for the corresponding adaptation of the 'medical doctors' directives. These amending directives (82/76/EEC) were adopted by the Council on 26 January 1982.¹
- the second opinion which was adopted on 21 March 1979 was specifically concerned with the further training of doctors for general practice. The corresponding proposal for a directive is being prepared and will shortly be submitted to the Commission for adoption.

The Committee of Senior Officials on Public Health has advised the Commission on both these initiatives, particularly on the question of the possible effect on the cost of training doctors and national health policy.

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Question No 54, by Mr Deniau (H-469/82)

Subject: Development policy with regard to the LDCs

What action does the Commission intend taking on the commitment given by the European Community at the Paris Conference on the LDCs to consider the establishment of a system along the lines of Stabex for the benefit of the LDCs?

Answer

On the adoption of the New Action Programme unanimously adopted by the UN Conference on the Least Developed Countries (Paris, 1-14 September 1981), the Community said it was prepared to consider, in a constructive spirit, 'what arrangements might be made and by what means the benefit of similar or equivalent provisions to those of Stabex could be extended to the least developed countries not included in the Second Lomé Convention'.

The examination conducted by the Commission departments pursuant to this undertaking has not yet been completed. It will be finished by the end of April.

When the Commission has taken up a position on the results of the study, within the context of the sixth meeting of UNCTAD, it will not fail to make its content known to the various bodies concerned including, of course, the European Parliament (communication planned for May 1983).

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¹ OJ No L 43 of 15. 2. 1982, p. 21.

Question No 57, by Mr Pedini (H-767/82)¹

Subject: Infringements of Article 30 of the Treaty

By circular of 20 October 1982 amending the circular of 14 March 1977 on the Law of 31 December 1975 laying down provisions on the use of the French language, the French Government made the use of the French language compulsory in connection with any document relating to imported goods or goods intended for sale on the internal market.

Does the Commission intend to complain to the French Government that these provisions are incompatible with Article 30 of the Treaty of Rome, which prohibits Member States from imposing quantitative restrictions on imports and all measures having equivalent effect?

Is the Commission aware that the provisions adopted by the French Government are particularly harmful to the Italian toy industry, which has always occupied a considerable place on the French market?

Answer

The French Government circular of 20 October 1982, referred to by the Honourable Member, on the use of the French language stipulated: 'The French language must be used in all company accounts and offers as well as in the import of goods and services'.

This circular differs from the earlier amended decree in that it now extends to imports.

On 9 November 1982, the Commission initiated, on the basis of Article 30 of the Treaty, proceedings for breach of the Treaties against the French authorities under Article 169 of the EEC Treaty.

A large number of contacts between the French authorities and the Commission have taken place in the framework of these proceedings. I have just been informed that, as a result of these contacts the French Government has just introduced a new regulation which is in conformity with the provisions of the Treaty concerning the free movement of goods by means of the appropriate internal administration procedure. (Bulletin Officiel de Douane No 4332 of 13. 4. 1983).

The Commission is aware of the difficulties which this and similar measures can cause for the economy. However, it has not yet been briefed on the special problems of Italian toy manufacturers. It would welcome concrete information from the Honourable Member, should these difficulties persist.

Finally, I should like to make it perfectly clear that, because of the damage which cases of this sort can cause to the economy's confidence in the operation of the European internal market, the Commission is determined to act decisively in cases of this sort.

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Question No 58, by Mr Adam (H-646/82)

Subject: Liquefaction of coal

According to the International Energy Agency, 'the liquefaction of coal is of strategic interest to industrial countries if they wish to reduce their dependence on oil even if this process is unlikely to become competitive by the year 2000'. Does the Commission accept this view, and what proposals do the Commission have to reverse the current trend in the Community of abandoning liquefaction projects?

¹ Former oral question without debate (O-135/82), converted into a question for Question Time.

Answer

The Commission considers that conversion of solid fuels is a key element of Community energy strategy and, like the International Energy Agency, it thinks that the liquefaction of solid fuels cannot possibly be neglected even if the economic prospects are at present hardly encouraging.

As part of its programme of demonstration projects the Commission has supported two direct liquefaction schemes.

In the new regulation on demonstration projects the Commission has proposed that it grants financial support also to smaller schemes, that it increase the amount of Community support and that it should not claim reimbursement on industrial pilot schemes. It hopes that these facilities will make it possible to continue and even intensify work on liquefaction. This regulation has come into force and calls for tenders have been issued.

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Question No 59 by Mr Galland (H-670/82)

Subject: Holding-up of used oil at European frontiers

Has the Commission been informed that at the end of November the French Customs were ordered by the Government to hold up lorries and railway wagons transporting used oil to EEC countries?

Does the Commission not think that such measures are contrary to the fundamental principles of the Treaty of Rome on the free movement of goods?

Answer

At the end of 1982 the Commission's attention was drawn by several complaints to the matter referred to by the Honourable Member.

It shares the Honourable Member's view that such measures are contrary to the fundamental principles of the Treaty of Rome, in particular Article 34.

It takes the view that no Member State is entitled to introduce a regulation for its own territory on used oil, prohibiting deliveries by used-oil disposal firms from other Member States which are in possession of the appropriate permit.

For this reason the Commission, on 23 December 1982 introduced, on the basis of Article 34 of the Treaty, proceedings for breach of the Treaty under Article 169 against the French Government.

As the Honourable Member was already informed in the answer to his Written Question No 687/82, a query has simultaneously been submitted to the European Court of Justice for a preliminary ruling under Article 177 of the Treaty.

On 10 March the Court of Justice delivered its preliminary ruling. The Court upheld and recognized as correct the Commission's view that the provisions of Community law forbid Member States to issue a regulation on the disposal of used oil prohibiting deliveries by authorized undertakings of other Member States.

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Question No 62 by Mr Wedekind (H-777/82)¹

Subject: Border formalities

As border formalities for intra-Community trade do not differ in principle — despite the degree of harmonization already attained — from those applied to trade with third countries (according to one Community exporter 'it is easier to export to Samoa than to France'), the Commission has now submitted a proposal for simplifying these arrangements, according to which the various forms currently required would be replaced by a single standard form. Is the Commission of the opinion that a standard form of this kind will actually facilitate the free movement of goods or might it be expected that, because of the various special national features involved, this standard form will add to the difficulties, especially as it may not be possible to use electronic data processing owing to the variety of supplementary information required for each country?

Answer

The Commission's view that its proposed single standard form will genuinely facilitate the movement of goods between the Member States is founded, in particular, on three considerations:

1. It will lead to a substantial reduction in the administrative documents required for border crossings;
2. It will no longer be possible to demand information other than that indicated on the single standard form.
3. The rationalization of the required data coupled with the introduction of the single standard form provides the basis and the necessary precondition for the development of a coordinated data processing system for the European customs administration.
4. The reform aimed at does not make any essential change in the existing simplifications.

The fact that only the data indicated can be entered on the single standard form will already bring about an important simplification and rationalization of the mass of data hitherto in existence. This in itself is an important step towards an initial coordination of the data processing systems of the Member States. It is not, however, intended to carry out a full standardization of the data. National features particularly in the area of currency control will continue. In practice, this means that for the present the additional information required by the importing country must, in a further processing procedure, be added to the single standard form at the time of import. However, by comparison with the situation which has existed hitherto, this represents no additional complication.

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Question No 68 by Mrs Poirier (H-781/82)

Subject: Restriction on imports of cereals substitutes

In its answer to my Oral Question No H-256/82² concerning imports of substitutes, the Commission stated that negotiations were to be started with the United States very probably towards the end of September or the beginning of October.

Can the Commission provide the European Parliament with regular information on the content and outcome of these negotiations?

¹ Former oral Question without debate (O-156/82), converted into a question for Question Time.

² Annex to OJ, No 1-288, Debates of the European Parliament.

Answer

The Commission can confirm that the European Parliament will be kept informed of the development of the negotiations in the usual way.

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Question No 71 by Mrs Desouches (H-825/82)

Subject: Price imbalances in the pig sector

What measures does the Commission feel it could take to solve the problem of price imbalances in the pig sector? Does it intend to propose to the Council an adjustment to the system of calculating MCAs in the pig sector and to ask third countries to produce import certificates?

Answer

(a) The present difficult market situation in the pigmeat sector is due to the following main reasons:

- demand for pigmeat is stagnating or slightly decreasing in the Community, mainly because of the recession;
- The seasonal evolution tending generally to lower prices in spring has started this year already in January;
- the cyclical element in the pigmeat market is reappearing and will lead to a higher production of 1.6% on average this year compared to 1982.

(b) The Commission already has reopened private storage aid for pigmeat since 1. 2. 1983 in order to take some pigmeat off the market and to help to maintain prices. It is also advantageous to export part of the pigmeat surplus, because the Community market may have difficulty to absorb the pigmeat coming out of private storage later in the year. The Commission therefore considers an active policy on exports for fresh pigmeat in the coming months.

(c) The Commission is not proposing a modification of the basis of calculation of the monetary compensatory amounts in the pigmeat sector. Such a modification would not immediately change the market condition in the Community as a whole. It is, however, the standpoint of the Commission to favour a reduction of the monetary compensatory amounts by aligning, where possible, the representative agricultural exchange rates on the central exchange rates.

(d) The Commission is not at present proposing to introduce import licences for pigmeat. Imports of pigmeat from third countries have been reduced over the years to not more than 1% of the total volume of supplies, which is by far counterbalanced by Community exports of pigmeat. Where necessary, additional amounts to be paid on imports are fixed on the basis of the free-at-frontier offer prices recorded at the moment of importation.

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Question No 72, by Lord Bethell (H-822/82)

Subject: Landing cards

Is the Commission aware that Greece is now the only Community Member State that demands landing cards from visitors arriving from other Member States and what efforts has the Commission made to persuade the Greek Government to abolish this requirement?

Answer

In January of this year the Commission was able to inform the Honourable Member, in the context of his Question H-648/82 that proceedings for breach of the Treaty were already underway against Greece. Meanwhile, the Greek Government has asked the Commission for an extension of the deadline. The Commission has acceded to this request and expects the Greek Government's answer shortly.

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Question No 74, by Mr Tyrrell (H-824/82)

Subject: Structural surplus of butter in the Community

Can the Commission outline the measures it is taking to encourage the use of intervention butter by the food manufacturing industries of the Community and what further measures are envisaged to encourage internal consumption, thereby obviating the necessity of subsidizing exports to third countries.

Answer

1. Community regulations already include a number of measures aimed at developing domestic consumption:

- aid to direct consumption (permanent and temporary),
- aid to consumption of butter by persons in receipt of social assistance,
- subsidies for butter intended for special groups and the army,
- subsidies for concentrated butter for cooking,
- subsidies for butter and butteroil used in the pastry making and ice cream industries.

All together 545 000 tonnes of butter were subsidized within the Community in 1982.

2. The Commission is considering ways of expanding these measures to increase the use of butter in the internal market.

However, in view of current resources, it would not appear feasible to consider terminating butter exports which constitute the least expensive method for disposing of butter (at present 135 ECUs/100 kg compared with the effective cost of internal measures which is at least twice this amount).

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Question No 75, by Mr Pearce (H-826/82)

Subject: United Kingdom Youth Opportunities Programme

Will the Commission state the amount of Social Fund money applied to the United Kingdom Youth Opportunities Programme in 1982, the percentage which this represents of spending on schemes eligible for Social Fund spending and the increase of this expenditure over the corresponding figure for 1981?

Answer

Social Fund aid to the UK's Youth Opportunities Programme in 1982 was £118.9 million. This figure includes £21.8 million for the transitional 'New style training places' scheme.

Fund aid for these schemes in 1982 showed a 57% increase over that for the previous year, 18% of the total expenditure eligible for support from the Fund, as revealed by the applications received.

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Question No 76 by Mrs Barbarella (H-831/82)

Subject: Direct-dial telephone numbers at the Commission

Can the Commission explain why the direct-dial short numbers given in its telephone directory include private organizations such as the Federazione italiana Consorzi agrari (Italian federation of farmers' cooperatives), Federolio and Deltafina, and does it not feel that, if this were found to reflect a real, demonstrable need for information and advice, all the most representative organizations in the relevant sectors should be included?

Answer

The Commission's new telephone exchange has a system of abbreviated dialling for 350 correspondents.

Each Directorate-General has been asked to supply the names of the people they contact by telephone so regularly that they would like an abbreviated number.

The criteria according to which the administration allocates such numbers are no reflexion on the significance of the bodies or sectors concerned, they are based solely on the modes of communications most frequently used between them and Commission staff.

The average frequency of contacts is by no means the only criterion, since, depending on the administrative habits of the bodies or countries concerned, the telex and the ordinary post may be more heavily used; account is also taken of access facilities, which may vary for purely technical reasons, as where the capacity of a correspondent's switchboard is limited.

The system is now saturated; no new numbers will be available until 1984. The numbers allocated are, however, reviewed regularly.

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Question No 78 by Mrs Squarzialupi (H-838/82)

Subject: Inflammable and toxic plastics

A fire in a Turin cinema caused the deaths of sixty four people suffocated by toxic gases released by plastics in the fittings. Since similar tragedies have occurred in other Community countries, does the Commission not feel that it is time to investigate the question of the toxicity and inflammability of certain plastics by encouraging and coordinating research in this field, introducing Community provisions concerning the most dangerous substances and ensuring that the citizens of the ten Member States are protected by fire regulations determined in accordance with the highest standards?

Answer

The Commission is aware of the importance of the problem of the toxicity and inflammability of certain plastics used in the construction of cinemas, hotels and other buildings and establishments. This is evident from the numerous studies and investigations already

completed or still being carried out, the details of which the Commission is prepared to communicate to the Honourable Member. The complexity of the problem, the disastrous lack of staff and the unwillingness of the Council to adopt legislation on building materials have, however, so far prevented the Commission from proposing legislation on this particular problem.

Because of the disastrous lack of staff, the differing conditions in the Member States, the complex structure of the numerous materials to be considered and the inadequate scientific knowledge render the work of the services concerned with the internal market and technical harmonization protracted and extremely difficult.

The Commission could not therefore deal simultaneously with all products and types of buildings. In its preliminary work it was therefore obliged to concentrate on hotel building and will forward a proposal for a recommendation to the Council before the summer recess. The large number and complexity of the provisions to be harmonized mean that the appropriate basis for a proposal for a directive is lacking.

With regard to other types of buildings (cinemas, theatres, discotheques, etc.) the Commission hopes to pursue the path followed for hotels in the next stage of its work. In cooperation with the European Association of Professional Fire Prevention Officers, it is currently preparing for European colloquium scheduled to be held in Luxembourg in September 1984.

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Question No 81 by Mr Lagakos (H-3/83)

Subject: Increasing the number of Greek-speaking interpreters

The Commission places as few as eleven Greek-speaking interpreters at the disposal of the Council. The lack of Greek-speaking interpreters has already been felt at meetings of the various committees and working parties within the Council.

Does not the Commission believe that, in view of Greek presidency of the Council of Ministers in the second half of 1983, the number of Greek-speaking interpreters should be increased and, if so, what steps has it taken to improve the situation?

Answer

The Commission is aware of the problems in connection with interpretation into Greek and is continually endeavouring to increase the number of interpreters available.

It began working with the Greek authorities on finding and training suitable interpreters as early as 1977. In the Commission's accelerated training programmes for conference interpreters (which are open to university graduates), special attention is being paid to Greek. The training course currently taking place is scheduled to finish before the start of the Greek Presidency and the successful graduates from this course should be available to augment the present number of interpreters.

Furthermore, a total of BFR 4 046 000 was spent on subsidizing the training of interpreters for Greek at Geneva University.

Given the fact that no other existing intergovernmental organization uses Greek as one of its working languages and that accordingly, prior to the accession of Greece, the number of trained conference interpreters for Greek was exceedingly low, the results obtained so far are by no means negligible. The Commission will naturally, however, continue its efforts to ensure the same high quality of Greek interpretation as is available in other languages.

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Question No 83, by Mr Gallagher (H-18/83)

Subject: Council Directive 72/464/EEC on taxes other than turnover taxes

Does the Commission consider that the social security surcharge on tobacco products, to be implemented in France from 1 April 1983 further to Article 26 of Law 83/25 will be in conformity with the provisions of Council Directive 72/464/EEC on taxes other than turnover taxes which affect the consumption of manufactured tobacco?

Answer

The Commission will soon take a decision on whether to open the proceedings set out in Article 169 of the EEC Treaty in the matter referred to by the honourable Member.

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Question No 85 by Mr Müller-Hermann (H-22/83)

Subject: Greenland's withdrawal from the Community

How far have negotiations progressed on Greenland's request to leave the Community? Will the Commission make sure that, if Greenland does withdraw, it will not be rewarded by major concessions from the EEC in the sense that its rights as a member might remain unimpaired while it would at the same time escape the commitments resulting from membership?

Answer

1. In accordance with its pledge to the people of Greenland, the Danish Government has followed up the referendum held in Greenland on 23 February 1982 in which 52% of the population voted in favour of the territory's ceasing to belong to the Community and forwarded to the Council on 19 March 1982, in conformity with the procedures laid down in Article 96 ECSC, 236 EEC and 204 EAEC a draft amendment of the treaties comprising:

- the withdrawal of Greenland from the territorial field of application of the ECSC, EEC and EAEC Treaties;
- the addition of Greenland to the list of overseas countries and territories contained in Annex IV of the EEC Treaty and the application to that territory of the rules governing the association with the EEC of the overseas countries and territories (fourth part of the EEC Treaty).

The Council has requested the opinion of the Parliament and Commission.

The Commission sent its opinion to the Council on 3 February 1983.¹

Work began on that date in the Council; Coreper formed, to this end, an *ad hoc* 'Greenland' group which has already held two meetings, on 7 and 28 March 1983, and will continue to consider the matter.

2. The Commission was in favour of granting 'overseas countries and territories' status to Greenland within the framework of the EEC Treaty, subject to certain specific supplementary provisions in the matter of fisheries.

3. This approach is in line with the two objectives set by the Commission in this connection, namely the maintenance of close ties between the Community and Greenland and

¹ Doc COM(83) 66 final of 22 February 1983.

consideration of the interests of the Community and Greenland in the formulation of a new relationship.

4. In substance, the Commission felt that the arrangements obtaining for the overseas countries and territories could be applied to Greenland, notably in the matter of trade in industrial and agricultural products, free movement of people, services and capital and Community financial aid, it being understood that such aid, (necessarily a good deal less than that received by Greenland within the Community as a priority region) would be in addition to that already granted to the existing overseas countries and territories.

It also felt that specific fisheries provisions should be added which would be indissolubly linked to overseas country and territory status.

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Question No 86 by Mrs Weber (H-26/83)

Subject: Dangerous waste

Article 16 of Directive 78/319/EEC on toxic and dangerous waste requires the Commission to report to the Council and Parliament every 3 years on the application of this directive.

When can that report be expected and does the Commission interpret Article 16 to mean that the report must contain details covering, e.g., the place at which residual material from Seveso was disposed of and is the Commission prepared to make available to the EP or in an appropriate form to its Committee on the Environment, the reports from the Member States referred to in Section 1 of Article 16?

Answer

The report on the elimination of toxic and dangerous wastes provided for in Article 16 of Directive 78/319/EEC, which was to be submitted by the end of 1981, has so far been drawn up and forwarded to the Commission only by Germany, the United Kingdom and Luxembourg. This is why the Commission in turn has been unable to submit to the Council and to Parliament the triennial report likewise provided for in Article 16(2) of Directive 78/319/EEC.

Reminders are sent out about these reports when they become overdue. Some Member States have stated that they are not in a position to have the reports completed in the near future.

This being the case, the Commission has commissioned a firm of consultants to draw up a report on the position with regard to the elimination of toxic and dangerous wastes in the Member States of the European Community and on the implementation of Directive 78/319/EEC. This report will be completed in the course of this year, and the Commission hopes that it can then forward to the Council and to Parliament by the end of this year the report envisaged in Article 16(2) of Directive 78/319/EEC.

As of now the Commission cannot yet say whether the report being prepared will also contain information about the disposal of the residual material from Seveso. That depends notably on whether the information in question is made available to the Commission and released for publication.

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Question No 90, by Mr Harris (H-43/83)

Subject: Citizen band radio

What steps, if any, are being taken to rectify the disparity between the United Kingdom citizen band radio system and that of the other countries of the Community and what consideration has been given to the request for a common European CB user's licence with the 40 channels FCC and all modes of communication available?

Answer

The fact that the disparities mentioned by the honourable Member do exist is in itself no proof that Community legislation is being infringed, even if this viewpoint is advanced by many CB users in complaints addressed to the Commission.

The Commission has studied this problem very closely in order to ascertain whether the United Kingdom or other Member States are infringing Community legislation in the present situation. In this connection one must not lose sight of the fact that not only are there differences between British rules and the legal provisions of other Member States but also that the latter are by no means in agreement amongst themselves. The Commission is not yet in a position to deliver a final opinion on this matter. There is one point, however, that can already be made quite clearly, and that is that even if it should prove that some of the doubtful regulations do in fact infringe against Community legislation, legal actions taken against individual Member States will hardly be the right way of doing away with the disparities being complained about.

This is why the Commission feels that the most promising way to go about solving this problem is to support the efforts towards harmonization being made at the present time by the European Conference on Post and Telecommunications (CEPT), which is primarily responsible at European level for establishing the provisions governing the use of radio equipment and for allocating frequencies.

The relevant administrative bodies in all ten Member States are represented on the CEPT. A CEPT working party has already prepared the draft of a new recommendation on a uniform standard for CB radio. This recommendation may well be formally adopted by the CEPT in September 1983. The Commission feels that its own endeavours to remove the disparities that exist within the Community can best be based on this recommendation, but no decision has as yet been taken on the concrete form these endeavours will take.

The Commission would also like to add that there have been some cases in the past where sanctions were imposed at border crossing points on drivers whose vehicles were equipped with CB radios. The Commission feels that these sanctions were not always justified. It is therefore drawing up a communication to the Member States on this subject.

As far as the common licence is concerned, the Commission would point out that the CEPT is chiefly responsible in this matter. It is aware of the wishes of CB users and has made considerable efforts to work out common standards. Several Member States are, however, not yet prepared to give permission for 40 channels and all modes of communication instead of 22 channels. In support of this position they argue that otherwise there could be interferences with other national radio services. Only if it could refute these arguments — and that is not the case at the present time — could the Commission invoke Articles 30 to 36 of the EEC Treaty to bring about a change in the present situation. If the CEPT's new draft recommendation had met with the demands of CB users, it is quite certain that no agreement could have been reached on uniform standards.

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Question No 91, by Mr O'Donnell (H-44/83)

Subject: Irish flour-milling industry

With reference to previous questions on the problem of the Irish flour-milling industry and in view of the representations already made by the Irish Government, what action has the Commission taken and with what results;

Would the Commission now assist the Farmers-Workers Cooperative, which is being organized to take over Ranks Flour Mills at Limerick with a view to maintaining employment; providing a market for Irish wheat growers and reducing Ireland's dependence on imported flour?

Answer

1. The Commission's services have examined the position of the Irish milling industry in all aspects regarding Community legislation. As no infringement of Community rules has been established, this matter should be closed.

2. Under Council Regulation (EEC) No 355/77 on common measures to improve the conditions under which agricultural products are processed and marketed (OJ L 51, 23. 2. 1977, p. 1) the Guidance Section of EAGGF may aid investments in the sector for marketing and processing of agricultural products. Such projects must fall within the framework of an approved programme drawn up by the Member State. In the case of provender milling such aid would be possible under the Irish programme for the cereals sector. No programme exists in Ireland for the flour-milling industry. In view of the general over-capacity in the flour-milling industry throughout Europe investments in actual milling have been excluded from aid although it is possible that there may be certain regions where an exception could be made. Other investments in the flour-milling industry could be aided and priority would be given to investments in storage facilities.

Investment aid for new investments under broadly similar conditions would be possible under the European Regional Development Fund.

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Question No 92 by Mrs Walz (H-46/83)

Subject: ACP-EEC cooperation in energy

When will the Commission publish its new initiative on ACP-EEC cooperation in energy promised by Commissioner Pisani at the meeting of the ACP-EEC Consultative Assembly held in Rome from 3 to 5 November 1982?

Answer

The Commission did indeed announce in Rome, last November, the publication in the months ahead of a general document on energy cooperation to assist the developing countries. In spite of the amount of work involved, which explains the slight delay, the work is now well advanced. In view of the very real importance of this question for the future of ACP-EEC negotiations, the Commission will be happy to make various proposals in time for their proper consideration.

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Question No 93, by Mr Key (H-47/83)

Subject: Coal industry

The Commission's working programme on solid fuels considers that there is a need for a high level of investment in the coal industry of the Community with a view to modernizing economic production capacity (or capacity that is, at present, only marginally uneconomic).

What actions are the Commission proposing to take to fulfil this aspiration?

Answer

The Commission informs the Honourable Member that the 'work programme on solid fuels' is now under discussion in the Council.

The programme refers to the difficulties experienced by Community coal undertakings in financing investment needed for mining modernization to improve their competitiveness. To strengthen the modernization process the Community has assisted with the financing of certain types of investments by means of low-interest loans.

Given the limited financial resources of the ECSC budget, interest subsidies to coal undertakings in the last few years have only totalled 5-7 million ECU per annum.

The Commission proposes to carry on with the existing financial mechanism but to take measures providing it with greater resources for interest subsidies. The Commission wants the Council to decide on the advisability of such an increase in effort and will in due course submit proposals on financing techniques that might be applied.

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Question No 94, by Mr Pattison (H-52/83)

Subject: Health and social welfare of the elderly

Will the Commission state whether it participated in the recent WHO meeting in Dublin which discussed aspects of health care for the elderly and, if so, what was its contribution; and, in the light of this meeting and the colloquium it held in Luxembourg in September 1982 on 'policy issues in the health and social welfare of the elderly', will it outline the policies it believes should be pursued in this area, both at national and Community level, and any concrete proposals it intends to make?

Answer

An advisory group of the World Health Organization met in Dublin on 22-25 March 1983. The purpose of this meeting and an earlier meeting in 1981 was to advise the Regional Office on the development of policies for the health care of the elderly within the framework of the WHO European regional strategy for attaining health for all by the year 2000. Given the purpose of the meeting and the composition of the group of experts, the Commission was not involved with either meeting.

In order to mark the year of the World Assembly on the Elderly and in response to Parliament's stated concern for the elderly, the Commission held a workshop meeting in Luxembourg in late September 1982. The 45 participants included policy-makers and social and medical scientists from all Member States.

The discussion included a review of national health and social policies and the problems arising from the existing size and the anticipated increase in the population of persons

aged 60 and over in the Community. The major problem identified was that of developing and maintaining a system of care which effectively and efficiently meets the recognized health needs of the elderly and enables them to live a socially satisfying life at a reasonable standard of living.

The proceedings of the workshop are being prepared for publication and will become available during 1983.

The working party health services research of the Committee on Medical and Public Health Research has approved a development project for a major survey of health care of the elderly in a number of Member States, within the framework of the 3rd Sectorial Research and Development Concerted Action Programme of Medical and Public Health Research adopted by Council in August 1982. It is hoped that the main survey will commence in 1984 and meanwhile two smaller studies concerning drug use and the role of day units are underway within the framework of interests in health education and prevention.

In the light of this research and also in the absence of an existing basis for action, it would be premature to indicate any development of a Community policy in the field of health care of the elderly. The Commission will continue to seek to act by supporting national policies through concerted action research, by collaborating with the World Health Organization and the Council of Europe whenever appropriate, and by seeking to maintain the health interests of this enlarging group of the population in all aspects of developing policies in the Community.

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Question No 95, by Mr Treacy (H-54/83)

Subject: Drainage programmes for the Munster region

Will the Commission state what programmes have been implemented in Ireland for river drainage, and how much has been spent to date; how much of this has gone to the province of Munster, and for what projects; and what further plans are there for arterial drainage for rivers in Munster?

Answer

The EAGGF 'Guidance Section' awards aid in the framework of Council Directive 78/628/EEC and Council Regulation (EEC) No 2195/81 concerning a programme to accelerate drainage operations in the less-favoured areas of the West of Ireland of which Munster is a part. In these programmes approximately 28 million ECU is foreseen for arterial drainage.

Reimbursements from the EAGGF 'Guidance Section' for the years 1979-1981 amount to IRL 3 976 500.

However the programme only provides the northern part of Ireland with three schemes for arterial drainage but no plan is foreseen in Munster.

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Question No 96 by Mr Adamou (H-57/83)

Subject: Commission proposals on dried grapes and dried figs

In a recent proposal to the Council, the Commission proposes abolishing the Community intervention system for dried grapes and dried figs and, moreover, in the case of dried

grapes, imposes an upper limit on production. How does the Commission justify taking measures which will adversely affect the income of dried grape and dried fig producers and, indeed, reduce the areas under cultivation for dried grapes, which are produced almost exclusively in Greece, given that the proposed 'minimum prices' to the producer and those of imported products are not enough to balance out the existing consequences of earlier Community measures?

Answer

The questions raised concerning dried grapes and dried figs are closely connected with a Report from the Commission to the Council on processed fruit and vegetable products and are dealt with in the draft regulations relating thereto.

The Report and regulations date back to the end of March 1983 and the Parliament is asked to give its opinion as soon as possible.

In these circumstances, it seems appropriate to take up the questions raised within the framework of the more general debate which the Parliament will shortly be holding on this whole matter, and thus to refrain from discussing these two specific questions right now outside the general framework drawn up by the Commission.

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Question No 97 by Mr Alavanos (H-58/83)

Subject: Delayed response by the Commission to the 'Greek Memorandum'

According to information in the press, there will be a further delay in the Commission's response to the so-called 'Memorandum' of the Greek Government. Since the impact of Greece's accession to the EEC is seriously affecting many groups of workers and the national economy without any measures being taken to protect them, what is the Commission's general attitude in response to the 'Memorandum', particularly as regards the application of Community rules on competition, the uniform customs tariff, production quotas etc.?

Answer

On 29 March the Commission adopted a communication to the Council and the European Parliament 'Greece in the Community — Assessment and proposals'.

In this communication the Commission announced a set of specific proposals which will complete its response to the Greek Memorandum.

A major part of the response had already been given in the integrated Mediterranean Programme for Greece recently adopted by the Commission. The Programme envisages an investment by the Community in Greece of 2 500 m ECU in 1985-91.

Among the principal proposals now adopted are:

— *5 Year Plan — Major projects*

When these projects have been presented and examined the Commission will be ready, if necessary, to propose to the Council that special measures be added to the intervention of existing Community instruments;

— *Agriculture*

Extension to all of rural Greece of measures concerning irrigation, forestry and infrastructure;

Hiring and training of quality control personnel.

— *Employment and social policy*

Aid for the construction and equipment of training centres.

Aid for the construction and equipment of hospitals and the introduction of modern techniques for certain categories of handicapped people.

— *Transport*

A substantial additional measure in favour of transport infrastructure projects in 1984/1985.

A number of actions for a limited period aimed at reducing the effects on productivity in the Greek agricultural sector of the cost of transport.

— *Environment*

Assistance to the Greek authorities to develop a comprehensive depollution programme for Athens; when the programme has been established the Commission will present proposals for participation in its implementation.

The proposals of the Commission in response to the Memorandum have two objectives:

- helping the government and people of Greece to achieve a far-reaching transformation of Greek economic structures, and
- accelerating the integration of Greece within the Community.

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Question No 98 by Mr Ephremidis (H-63/83)

Subject: Imports of cotton goods from Turkey

At the beginning of March 1983, the Commission reached a decision on imports of cotton goods from Turkey.

Can the Commission explain why, despite the severe crisis in the Greek textile industry, it compels Greece to import cotton goods from Turkey while, at the same time, ignoring the political aspect of the matter, namely the existence of the oppressive regime in Turkey?

Answer

The Commission decision referred to in oral question H 63, namely the setting of quantitative limits at Community and regional level for imports of cotton cloth and T-shirts originating in Turkey, is designed to protect the Community market from undue perturbation.

This type of action is based on the safeguard clause, Article 60, of the Association Agreement between the Community and Turkey. It should be remembered that this agreement, which forms part of the *acquis communautaire* accepted by Greece on accession, seeks to promote the development of trade between the two parties, despite the existence of safeguard provisions.

Finally, as regards the political issue raised, the Community position was explained by Vice-President Haferkamp in the course of the European Parliament session of 7-11 March 1983.

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Question No 99, by Mr Halligan (H-64/83)

Subject: Economic sanctions against the USSR

Given the fact the Danes have agreed to lift economic sanctions against the Soviet Union, does the Commission agree that it would now be opportune to cease these sanctions on a Community-wide basis, and will it take the necessary steps in this direction?

Answer

Since the factors which prompted the actions taken over certain imports from the USSR persist, the Commission does not consider it advisable to propose the repeal of Regulation 3482/82.

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Question No 101, by Mr Patterson (H-67/83)

Subject: Commission reaction to Parliament's amendments on 5th Directive

Will the Commission state whether or not it now intends to accept Parliament's amendment to the draft 5th Directive on Company law to increase the threshold number of employees for its application of the directive from 500 to 1 000 in each unitary *société anonyme*?

Commissioner Narjes assured Parliament in September that this amendment was to be included in the new draft. He specified however that dependent companies' employees were to be included in the 1 000. This puts employees of dependent companies — which are not *société anonymes* in their own right — in a position of being 'counted in' but denied any rights under the 5th Directive provisions.

Does the Commission consider such a situation is fair to the employees of subsidiary companies?

Answer

1. In its amended proposal for a 5th Directive the Commission, in agreement with Parliament's opinion, lays down that certain provisions of this directive are to be implemented in undertakings employing more than 1 000 workers within the Community. The Commission feels that this number must also include the workers employed in dependent companies of the undertaking concerned. Otherwise undertakings with more than 1 000 workers could quite easily circumvent the directive by reorganizing themselves and breaking up into several companies, each of which would remain below the threshold of 1 000 workers.

2. The Commission realizes that, as far as the rights of workers employed in these dependent companies are concerned, this solution is not the ideal one. Nevertheless, as long as there is no supplementary harmonization of the participation of workers at the level of the undertaking, it would like to prevent undertakings from being encouraged to set about the artificial structural changes mentioned in the first paragraph of this answer.

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Question No 102, by Mr Price (H-70/83)

Subject: Venue of Commission press conferences

In view of the fact that Commissioners spend most of their time in Strasbourg during Parliament's plenary weeks and that many of the same journalists wish to cover both Com-

mission and parliamentary activities will the Commission change the venue of their daily press conference from Brussels to Strasbourg during Parliament's plenary sittings?

Answer

The Commission has always been mindful, during the parliamentary session, to inform journalists following the parliamentary debates on the spot, in the same manner as those who have to remain in Brussels.

Thus, journalists working in Strasbourg have access to the same information and at the same time as their colleagues in Brussels.

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SITTING OF THURSDAY, 14 APRIL 1983

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IN THE CHAIR: LADY ELLES

Vice-President

(The sitting opened at 10 a.m.)

1. *Approval of the Minutes*

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

Are there any comments?

Sir Henry Plumb (ED). — Madam President, I refer to a request made by Sir James Scott-Hopkins — this is to be found on page 9 of the Minutes — for a debate immediately following Question Time on the Commission's answer to Questions Nos 48 and 82, after which points of procedure were raised by Sir James, by Mr Moreland and by Mr Marshall. Now the Chair yesterday ruled that in that special request they were asking for a debate on legislation arising out of the decision made on heavy lorries and that the request could not be granted because an agreement had been reached with the group chairmen.

Madam President, I have checked this matter and as far as I am concerned, whilst there might have been an understanding, there is no ruling on this. No agree-

Plumb

ment, therefore, was reached with the chairmen of the individual groups. I would ask, therefore, that you look into this; and whilst it may be right that we do not take this as a matter of precedent, I think Members of this House have the right, if they wish, to raise issues for debate which are of immediate concern to them. They have that right and no such ruling should apply.

As far as I am concerned, if this is to be brought before the chairmen of the political groups, let it be brought before them, but I just wanted to make it clear that, as chairman of our group, I had no understanding that this was the fact, as was suggested by the Chair yesterday.

President. — Sir Henry, I take note of everything you have said.

Under the Rules a Member has the right to ask for a debate arising out of questions So, regardless of what the political group chairmen may decide, that right still resides with the Member. I will have an enquiry made into the situation and hope to have a reply given to Sir James Scott-Hopkins.

Mr Hopper (ED). — On a point of order relative to the last one, the Commission has written to the President of the European Parliament saying that the Commission rejects the Parliament's opinion on the subject of cigarette tax harmonization. I requested the Commission to make a statement in this Parliament this week on this subject. The Commission agreed, but the President informed us that since it was not on the agenda the Commission had no right to speak on this subject. After having studied the Rules, I have come to the conclusion that there is no basis in the Rules for this statement by the President, and I would be most unhappy if it were allowed to become a precedent.

President. — Of course, Mr Hopper, the Commission and the Council have the right to request to speak at any time, as long as it can be fitted in timewise into the proceedings of the Parliament. But if the Commission does not make that formal request, it is clearly not possible to put it on the agenda.

Mr Hopper (ED). — On a further point, Madam President, Commissioner Andriessen clearly indicated a willingness to make a statement, but he was told that it was out of order because it was not on the agenda, and I think the Chair misled the House and the Commission.

President. — I must repeat, Mr Hopper, that in the Rules of Procedure, both the Commission and the Council have the right to request the floor of this

House and some means must be found to accommodate that request. I will have this matter raised.

Mr Marshall (ED). — Further to that ruling, Madam President, as Mr Hopper asked for the statement and the Commission was willing to give it, can we have an assurance that if the Commission is still willing to give it we shall have that statement at the next part-session in Strasbourg?

President. — Mr Marshall, I cannot speak on behalf of the Commission. I can only reiterate that under Rule 66 the Commission has the right to request the floor of this House. I would, therefore, ask the Commission to ensure that, if it wishes to make that statement, that request is put to the President of Parliament, in which case time must be allotted to the Commission to make it.

Mr Narjes, Member of the Commission. — (DE) The Commission is not in a position to make this statement at the present time.

President. — Thank you very much, Mr Commissioner, that clarifies the issue.

Mr Beazley (ED). — Madam President, can I, through you, ask the Commissioner why the Commission is not prepared to make that statement when they have already written to our President explaining their views, and on Monday we requested this?

President. — Mr Beazley, if you will take that up with the Commissioner concerned, I think this is a matter which should not be settled on the floor of the House, at this moment.¹

(Parliament approved the minutes)

2. Membership of Parliament

President. — I have received from Mr Deniau notification in writing of his resignation as Member of Parliament with effect from 14 April 1983. Pursuant to Article 12(2), second sub-paragraph, of the Act concerning the election of the representatives of the Assembly, Parliament establishes that there is a vacancy and will inform the Member State concerned.

Mr de Courcy Ling (ED). — Madam President, my point relates to the sad announcement, which you

¹ See previous debates.

de Courcy Ling

have just made, of the resignation of Mr Deniau from this Parliament and I take it that the timing of this announcement is on account of the assertion by the Socialist Group that they actually do believe in violating the freedom of movement of tourists, not only French tourists, but in the future British tourists. I am very sad that this action by the Socialist Group should have led apparently, according to the timing of your announcement, to Mr Deniau's resignation. I sympathize very much with his motives.

3. Topical and urgent debate*Dioxin from Seveso*

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

- the motion for a resolution tabled by Mr Walter and others, on behalf of the Socialist Group, Mr Capanna and others, on the disappearance of poisonous waste from Seveso (Doc. 1-139/83);
- the motion for a resolution tabled by Mr Alber and others, on behalf of the EPP Group (Christian-Democratic Group), on movement and trade involving toxic substances within and outside the Community (Doc. 1-155/83);
- the motion for a resolution tabled by Mr de la Malène, on behalf of the Group of European Progressive Democrats, on the disappearance of wastes contaminated by dioxin (Doc. 1-156/83); and
- the motion for a resolution tabled by Mrs Squarcialupi and others, on behalf of the Communist and Allies Group, on the ultimate destination of the dioxin from Seveso (Doc. 1-158/83).

Mr Walter (S). — (DE) Madam President, ladies and gentlemen, the Commission, the Council and the national governments are united in their indignation at the events surrounding the disposal of the Seveso waste.

My personal view is that this sense of indignation is only really credible if it is not used as a front for getting out of past failings. Let us take a look at the Member States, who are rightly up in arms. For my part, I am up in arms at the fact that the Member States of the European Community are quite capable of checking millions of people every year at national borders to see whether they happen to have 200 cigarettes too many in their possession, but that the very same Member States are incapable of keeping a check

on waste materials taken across borders by a mafia-like network of firms.

(Loud applause)

The Commission too is rightly up in arms, although I must say, Mr Narjes, that it almost brought tears to my eyes when I saw the Commission's comment a few weeks ago that it was not competent to deal with this matter. We can do without a Commission which spends all its time bemoaning in public its lack of powers. What we need is a Commission which is prepared to fight tenaciously for powers in those areas which are of vital importance to the Members of this Community.

(Applause)

The Council too is up in arms — that very same Council of national governments which have not even been capable of meeting the obligations arising from the 1978 directive on the trans-frontier transport of waste materials. I should like to say to the Council and its President-in-Office — that is to say, Mr Genscher — that it has twice given erroneous answers to critical questions put by Members of this House on the Seveso issue. In so doing, the Council has lulled European public opinion into a false sense of security. All I wish to say is that, in any national Parliament, a minister is expected to accept the consequences for giving wrong information to Parliament. I deplore the fact that that is not the convention in Europe.

(Applause)

If as much energy had been expended in the past on ensuring the safe disposal of trans-frontier waste as has been channelled into today's indignation, the Seveso problem would never have arisen.

(Applause)

Seveso is not a one-off occurrence. Seveso is in fact the tip of an iceberg, and is present every day on our roads, because toxic waste and materials are being shifted backwards and forwards across national borders every day without our knowing what is in the containers and where the stuff comes from. Seveso is the hallmark of an industrially developed society which is daily embracing new technologies without any regard for their possible repercussions. The draft directive of January is a step forward so long as it is given teeth at the proper places. We are all aware of the problems involved in getting directives implemented by the Member States of the European Community, which is why I would like first of all to appeal to those responsible to change the directive into a regulation, to make it immediately binding in the Member States.

(Applause)

Walter

My second appeal is for the system of checks to be extended from just waste materials to all toxic and hazardous substances crossing borders to enable us to know for sure what is actually crossing our borders in a daily stream. My third appeal is not to release companies from their strict obligation to provide information on the whereabouts of materials produced and transported by them. I should like to say on this point that it is, in my opinion, right and proper and important that a French waste disposal merchant should be currently in coercive detention in France. But I also think it an absolute disgrace that the string-pullers in the Board of Directors of Hoffmann-La Roche should be getting away scot-free. Finally, I should like to address a special appeal to the Member States' governments in the Council not to wait for month after month until we get a European solution, but to take immediate steps and cut down the number of border crossings at which poisonous waste and substances are cleared for customs purposes, so that we can know from tomorrow on what the waste disposal firms are actually transporting over our national borders. Finally, I should like to say that it is of course right and proper that we should be drawing attention to the responsibility borne by the unscrupulous type of waste disposal firm. For the future, though, it is more important to remind ourselves of the responsibility borne by those who, for years, have watched what these firms have been up to and not raised a finger.

(Applause)

Mr Alber (PPE). — *(DE)* Madam President, ladies and gentlemen, the question of what has happened to the 41 drums of toxic waste from Seveso reminds me of my schooldays, when we used to ask each other unanswerable questions. I remember that one of the questions I could never answer was: What is where if nothing is nowhere? Unfortunately, though, the question facing us today is far more serious. What we have here, quite simply, is a scandal of the very first water. The question is not just what has happened to the stuff. What I am wondering is what has become of the common sense of the firms involved, and in particular, what has become of the sense of responsibility of the companies concerned and, unfortunately, a number of government institutions too in the countries which have so far been involved in the matter.

The European Community produces an annual total of some 160 million tonnes of industrial waste, of which between 25 and 30 million tonnes are toxic, and thus dangerous. 10% of this toxic waste — in other words something between 2½ and 3 million tonnes — crosses a national border before being disposed of. This fact alone shows that there is something wrong somewhere, quite apart from the fact that suitable disposal facilities are available for only half of the amount that has to be disposed of, which just highlights the fact that what we have here is a genuine scandal from beginning to end.

The existing directive on toxic and dangerous waste of 20 March 1978 is not sufficient, and we must give some thought too to how we can strengthen the monitoring and checks on the trans-frontier disposal of dangerous waste within the Community — a proposal dating from 10 January this year. So far, the control element has always ended at the national borders, where all that is done is the usual processing for customs purposes by references to customs declarations which the customs officials cannot check in any case.

It is a scandalous situation when law-abiding citizens are subjected to harassment at borders for piffling amounts while terrorists can drive across borders with a corpse in the boot of their car, and tons and barrels of toxic substances can likewise be moved from country to country. It is high time we did away with the personal checks because, even in those cases where they might make some sense, they have no real effect apart from harassing perfectly harmless citizens.

So what steps can be taken? If there can be no question of banning the production of such highly toxic substances, it would at least be worth considering introducing a compulsory approval system. What we need is some regulation which will provide proof of how this waste has been disposed of — before it is actually disposed of and not afterwards. Nor will it do just to come up with legally endorsed certificates certifying only what the person in question is prepared to admit to, and whose content cannot be properly checked. We must also ensure that declarations including a confidentiality clause are denied any legal force.

The Commission must be given appropriate watchdog powers, and the transport companies involved must be properly licensed. The two firms VADIR and SPELIDEC are just one-man companies, and let me say quite clearly and categorically — and I beg your pardon for using this term — these are dubious undertakings. And, after all, what is the point of keeping a check on waste dumps if no check is kept on the transport companies themselves?

What we need is for the Member States to be obliged to burn or dump their own waste in their own countries, and not export it to other countries. What we need is encouragement for the use of suitable incineration plants and not an increase in the practice of dumping waste in the ground or even sinking it at sea. We also need clear costing provisions on the lines of the 'polluter pays' principle.

It is only by adopting a comprehensive series of measures of this kind that we can ensure that such scandalous things do not occur again in the future. It is now up to the national governments to say clearly and simply whether they are prepared to do what every ordinary citizen knows has to be done. What we are talking about here are not national sovereignty issues but

Alber

simply government's obligation to protect and care for the people of Europe.

(Applause)

Mr Gauthier (DEP). — *(FR)* Mr President, ladies and gentlemen, when the Seveso tragedy occurred on 10 July 1976, the whole world was upset by it. Newspapers, radio, television, humanitarian bodies of all types — in fact, everyone — agreed it was an atrocious and inconceivable event. Whatever be the case, such an incident should never again occur because, as we know, the effects were catastrophic. People died, others were suffocated, burnt or contaminated; pregnant women worried about their unborn children who were subsequently born with various defects, crops were relentlessly destroyed and, even worse, the long-term consequences were incalculable. All well-intentioned people swore that such an event was never again to occur and that everyone would do all that is necessary to prevent a similar catastrophe. Unfortunately, they failed to keep their vow. Neglect set in. Certainly with the help of those who caused the tragic event — dioxin manufacturers — and in whose interest it was, of course, to hush up the matter after having hushed up the inhabitants of Seveso, life went on again as usual. Taking advantage of the situation, these very manufacturers, namely, Hoffman-La-Roche, Mannesmann, Valiers and Pelidéc, among others, assisted by thoughtless transporters, deceived the public by taking enormous risks.

Imagine these lorries loaded with 41 dangerous barrels and moving on the roads of the Community, crossing our towns and being exposed to any type of accident or incident. Along all the routes taken by these lorries there were thousands of potential Sevesos. Can we accept such folly? The transportation and disposal of poisonous and dangerous wastes is a problem that has existed for many years but neither the government nor the Council of Ministers nor the Commission have taken any steps to solve it.

No, we cannot accept that. We in the European Parliament have a crucial role to play to prevent the repetition of such accidents. As representatives of the 260 million people of this Community we are also responsible for their safety and the protection of the environment. This is why we must insist that the Commission address itself immediately to the disappearance of wastes contaminated by dioxin and inform citizens of the findings of its investigation and the measures taken. But that, will not be enough. The proposal for a Council Directive — Directive 82/892 — which is being prepared with regard to the surveillance and inspection of cross-border transportation of dangerous wastes in the European Community should be adopted forthwith and implemented immediately.

Ladies and gentlemen, henceforth, when speaking of Seveso, we must say: never again.

(Applause)

Mrs Squarcialupi (COM). — *(IT)* Madam President, six years after the ecological tragedy of Seveso we now have the mystery, the thriller and even the scandal of Seveso. Where has the dioxin taken from the reactor of the Icmesa factory, which caused one of the most serious ecological disasters in history, ended up? Above all, how was this dioxin treated?

The problem of wastes contaminated by dioxin has already been discussed in this Parliament as a result of an oral question to the Council; but the Council knew nothing about it or gave the impression of wanting to allow the dioxin to continue its journey through Europe undisturbed — a causal journey which gave us the impression that, at least for dioxin, frontiers had been finally abolished.

The mysterious journey caused an explosion of concern and justified indignation throughout Europe, expressed through the representatives of the European people. There is now an urgent need to give satisfactory answers to the European people.

The amendment replacing three motions for resolutions tabled by various groups, among them the Communist and Allies Group which I represent, is clear, even though it is certainly the result of a compromise which was sometimes difficult to achieve. However, a few points stand out clearly.

The Commission and the Member States concerned must provide guarantees, with the precision which only documentary evidence can provide, on the journey and the ultimate destination of the dioxin. The Commission must also determine the instances of neglect at every level — from the Community authorities to the national authorities and individual undertakings — There have been very serious cases of neglect in this affair.

The firms responsible for the various transport and disposal operations, even if they are based outside the Community, must, if they operate within it, comply with the directive on toxic and dangerous wastes, and must also comply with the directive on the supervision and control of transnational transport of dangerous wastes, when it has been adopted.

In this context, I would like to remind you that the Council began discussion of the directives without waiting for Parliament's opinion. This time, it is clinging to the formality of waiting at all costs for Parliament's opinion, which will come much earlier. However, it is good that the Council should begin now to clarify its ideas; it is necessary, so as not to lose any more time in dealing with such a thorny problem. The Council and the Commission must also clarify their ideas as to whether the Community directives currently in force are enough to deal with the very serious problems which we have seen developing in the last few days. First, however, it will be necessary to begin to desecrate a few sanctuaries of industrial and com-

Squarcialupi

mercial power — I refer to industrial and commercial secrets, which must be regulated in an acceptable way, because these secrets hide the most serious potential disasters for nature and human beings.

I know that it is a delicate and difficult matter, which will arouse very strong opposition, but let us remember that the disposal of wastes is a very lucrative business for some, as well as being a very serious danger for others.

In the Member States there is a whole range of laws on industrial and commercial secrecy, which should be compared to see which of these laws may be most effective in safeguarding the health and safety of European citizens while respecting the rules of the market and of competition.

In conclusion, I would like to stress that, when they knew that the dioxin had been taken away, the inhabitants of Seveso no doubt heaved a sigh of relief. However, their worry has been transferred to others — to all European citizens — and their minds can be set at rest only by a clear and responsible attitude on the part of the Commission and the Council.

(Applause)

President. — I would like on behalf of the Parliament to welcome Mr Hartkopf, Secretary of State and President-in-Office of the Council, and I give him the floor.

(Applause)

Mr Hartkopf, President-in-Office of the Council. — *(DE)* Madam President, ladies and gentlemen, I should like — with your permission — to make a statement on behalf of the President of the Council, and I shall be quite happy to discuss the matter with you a little later, should this prove necessary. An environmental issue has, over recent weeks, mobilized public opinion in the Community like no other such issue before or since, namely what has become of the toxic dioxin waste from Seveso. Suspicion, deceit, rumours, fears and speculation surrounding this unusually drastic case have brought out the fact that doubts do exist with regard to the satisfactory and harmonized treatment of dangerous waste. The public's faith in forward-looking environmental protection has suffered a severe setback as a result of the activities of certain companies. The victims of this crisis of confidence are not only the government authorities and *bona fide* companies, but also many people in positions of political responsibility.

I had hoped, in my capacity as representative of the Council of the European Communities, to be able to find out or say more about what has happened to the drums of dioxin. Unfortunately, I can give you no

such information. So far, we do not know where the waste has been dumped. On this point, I would remind you of the answer given to Mrs Weber's question, repeating the information provided by the Italian authorities on what became of the waste material.

I should like, at this juncture, to comment on what was said by Mr Walter. At the time in question, the President of the Council commented on the whereabouts of the waste on the basis of official information from a Community Member State — and you are all acquainted with this material; it has been confirmed on a number of occasions in this form. That was the information he was given, and the answer to the honourable Member's question made it quite clear on what documents the President of the Council was basing his answer.

No-one has been misled, and I categorically reject any attack on the President of the Council.

(Mixed reactions)

Of course you can see the documents any time you like. I should like now, in my capacity as a junior minister in the German Government, to tell you what the authorities in my country have found out over the last few days in collaboration with their counterparts in France and Switzerland. There are official documents to prove that the waste material crossed the border between Italy and France on 10 September 1982. On 20 September 1982, the French customs authorities noted that the material was now at the premises of a waste disposal company north of Paris. That is where the trail went cold, and all subsequent research on the part of the countries concerned, including my own, has so far met with no success. We have been given access to documents by the firms involved, including a so-called attested statement made by the waste disposal company, which claims it has disposed of the material properly and legally, without however giving any details of the exact location, nor even of the country of final disposal. We therefore have no choice but to continue our research and to press those in the know to come clean.

The Council and the Commission are well aware that urgent improvements are called for in the legal and practical situation concerning the disposal of special waste in the Community. I can say on behalf of the Council that the Member States are making genuine attempts to put this directive into effect, but the provisions of the 1978 directive undoubtedly do not go far enough. In particular, they contain no provisions relating to the trans-frontier transport of dangerous waste substances. What we need here is supplementary legislation, and the Council therefore welcomes the fact that the Commission presented a draft directive on 17 January 1983 designed to improve checks on the international movement of waste and cooperation between the authorities in the Member States in monitoring such movements.

Hartkopf

I should like to say on behalf of the President of the Council that we shall be discussing the proposal without further delay, and will in fact be discussing certain basic elements of the directive on 16 June 1983.

That being so, I would ask the European Parliament to let its opinion on the draft directive be known as soon as possible. We have no intention of allowing the directive to be a mere paper tiger, and in this respect I should like to thank Mr Alber most sincerely for what he had to say.

I should like to mention on this point that the German Government too feels that the proposed directive could do with some substantive improvement. We feel that the authorities' watchdog functions should be brought out more strongly, and that the import, export and transit of dangerous substances should be made dependent on express approval. We also feel that thought should be given to how much leeway could be left for the Member States to impose their own more rigorous conditions. The German Government has also called for a restrictive attitude to be adopted to trans-frontier waste disposal in the light of the risk involved. We feel that, by adopting such a stance, we should be taking immediate steps towards dealing with illegal or quite simply criminal activities.

In my capacity as Council representative, I should like to point out finally that the proposed new directive should remain confined to the disposal of dangerous waste. The question of dangerous substances in general must be viewed at a different, special level and a decision as to whether or not to legislate for such substances must be taken separately. It should be up to the Commission to investigate what would be the most appropriate and most effective context for enacting such legislation, bearing in mind the conventions entered into under the auspices of the United Nations. I agree with the European Parliament that the Community institutions owe it to the people of the Member States to introduce regulations without delay as an effective response to the problems of dangerous waste. Any such regulations must be implemented in a sufficiently transparent fashion if we are to gain the confidence of the public at large.

(Applause)

Mrs Weber (S). — *(DE)* Madam President, ladies and gentlemen, there is a book in Germany entitled 'Seveso is everywhere', and I think that, looking back on the Seveso disaster after a period of a few years, we can only endorse that statement. In the Federal Republic of Germany 50 000 chemicals are now being produced every year, and — and I think we can take these statistics at face value seeing as they emanate from the Commission — only 50% of all the resultant dangerous waste is actually disposed of in proper tips. So long as we in the Community are producing such large amounts of dangerous substances and dangerous

waste, we are bound to ask ourselves whether we are really on the right course, that is, whether our economic growth is not being achieved at the cost of things like this.

Within the Community, there are a number of ways in which we can dispose of waste. The simplest method — the one used everywhere in our countries at present — is to secretly declare dangerous waste as reusable material, which means that it is then no longer subject to the control provisions which already exist in our countries. In other words, it can then be moved around all over the place without let or hindrance or without being checked.

The second way is to leave disposal of such waste up to dubious waste disposal companies, which pass on what is an extremely lucrative trade to each other without any apparent concern for people or public opinion. But of course we can extricate ourselves from the matter entirely by simply working on the assumption that everything is done to the letter and everything is above board, as there are after all documents, signatures and stamps. And even if the stamp was provided by the firm entrusted with the proper disposal of the waste, that can still be trotted out as proof.

It is therefore quite reasonable to accuse the Commission of simply accepting the facts of the matter and not pressing the Member State to call for the reports. I am sorry to say that the Federal Republic of Germany too is guilty of not applying the 1978 directive in an adequate fashion and reporting back to the Commission. Time and time again, the Presidency of the Council has fobbed us off with evasive answers with which we could not possibly be satisfied. I think it is quite obvious today that we were right in thinking that these answers simply did not reflect the true situation.

A Swiss gentleman, when asked whether the waste from Seveso could possibly be in Switzerland, once said that waste disposal was a matter of trust, and I believe that is precisely the central point as far as we are concerned. People will simply no longer allow themselves to be fobbed off with the idea that everything is right and proper if it is so ordained from above.

Bavaria issues an annual total of some 100 000 certificates to accompany dangerous waste. Just imagine — in an age in which we can send men to the moon and people can don specially made suits and go for space walks, these accompanying certificates for dangerous chemical waste are still handread. Just imagine — in the computer age, these things are still laboriously sorted and checked by hand. Am I alone in thinking that data processing techniques should be used where they can be of assistance to people — for instance, in the accurate monitoring of the volume, nature and routing of dangerous substances and waste throughout the Community? Bureaucracy has its place where it

Weber

can help to prevent people from harm, in other words, in carrying out strict checks on dangerous substances and waste wherever necessary. We can do without centralization which merely produces a surfeit of bureaucracy, but we need centralization in cases where concentrated expertise can prevent dangerous situations occurring, which is the case regarding transit arrangements.

The sense of outrage here is readily understandable, but I should like to appeal to all those Members whose thoughts turn to economic growth whenever we get round to discussing restrictions on the use of dangerous substances. After all, by imposing such a restriction, we are in effect also limiting the amount of dangerous waste ensuing. The people of Europe want us to grasp the nettle. They expect us to make sensible decisions. Waste disposal is indeed a matter of trust, just as selling medicines is a matter of trust, and I think it is a good thing that German doctors should be thinking aloud about whether to continue prescribing medicines made by these firms.

(Applause)

Mr Johnson (ED). — As far as we know, Madam President, these 41 barrels of waste containing 300 grammes of dioxin, wherever else they are, are not, or not yet, in the United Kingdom. But that is not the point. The United Kingdom is concerned because the European Community is concerned, and the United Kingdom is, and long may it remain, a part of the Community.

The European Commission can help in this affair. Let me explain how. Hoffmann-La Roche have a disposal contract with an Italian firm which is a subsidiary of a German firm, Mannesmann Italiana. That contract specifies total secrecy. Even Hoffmann-La Roche may not know where the waste has been put. That secrecy clause in the contract may, however, be breached in the event of a formal judicial enquiry by a Member State. We therefore call on the Commission to press the Member States concerned — Germany, Italy and France — to establish a proper judicial enquiry. That is the way to proceed now.

It gives me great pleasure, Madam President, to see Günther Hartkopf here, a man who has for many years devoted himself to environmental causes. I know that, whatever else may have been said, we can rely on him and the German presidency to help as well as the Commission.

In the long run it is a matter of urgency, as has been said, that the Council should adopt the draft directive on the cross-border disposal of dangerous and toxic waste. This debate is yet another example of the way environmental policy has moved to the forefront of the concerns of this Community. Later today we shall be debating the proposal for an environmental fund.

One aspect of that fund is the promotion of clean technology. Prevention is always better than cure.

Mr Wurtz (COM). — *(FR)* Madam President, one cannot over-emphasize that the new incident which occurred in Seveso is revolting and intolerable.

You would think we were dealing with a Mafia group with its secret connections, its law of silence and its disdain for the consequences of its acts provided that business goes well. But where the shoe pinches is that this dangerous adventure was carried out by a big multinational firm, and what a multinational. The Hoffmann-La Roche company employs 40 000 people and has a turnover of more than 10 000 million French francs. Its head office is one hour's drive from here, on Swiss territory.

How can it be accepted that once again, one of the big owners of capital should thus, with impunity, defy laws and place its personal interests above the most basic public interest?

Moreover, is it necessary to recall that the offender is a notorious one? In the 'Morhange' talcum powder affair in France, one of the subsidiaries of Hoffmann-La Roche was responsible for the death of 42 babies. As for the Seveso tragedy, it is too fresh in our memories for anyone to need a reminder of the frightful toll. It can be summarized in one word: dioxin, a terrible poison which, a few years ago, Americans spread in large quantities over Vietnam.

It is the duty of the authorities of the countries in which these dangerous wastes are stocked to take steps that will put an end to the irresponsibility of the Hoffmann-La Roche company.

France is already doing so through legal action. In our view, it is also necessary that strict rules which could be harmonized at Community level be laid down to define the conditions under which substances of this nature should be handled and transported.

Ladies and gentlemen, we hope that this incident will moderate those who have an excessive tendency in our Parliament to elect themselves the zealous advocates of multinationals because, as the saying goes, 'to be forewarned is to be forearmed'.

Mr Irmer (L). — *(DE)* Madam President, 41 drums of toxic waste are now somewhere in Europe and can at any time present a risk to the life and health of people anywhere, and that at a time when trans-frontier movements of people, currencies and other articles are monitored and controlled in the utmost detail. There have been outbreaks recently in Italy of African swine fever, and as a result, no cooked meats are currently allowed into Germany from Italy. Only a few months ago, though, 41 drums of toxic waste were transported

Irmer

with no problem at all from Italy to France. On the one side of the coin, then, we have the health of pigs, and on the other we have the health of people. What do the authorities think is more important? The real problem lies not in the fact that the stuff is crossing national borders, but that this kind of toxic material is being transported at all from one place to another. The scandal would be just as real if the toxic waste had stayed in Seveso or had been transported, say, from Seveso to Calabria. But the fact that it is possible to cross borders with this kind of material means that we in the European Community must adopt joint measures. First of all, we must ask ourselves what consequences arise from the current situation.

We demand a full and complete explanation of what happened to the Seveso dioxin. It is intolerable that firms which have acted in an irresponsible fashion should not be keeping their lips sealed either because of financial considerations or because their conscience is troubling them or because they are afraid of the consequences. We also demand a full explanation of all other such cases. As Mr Walter said earlier — and I regret the fact that he chose to devalue his statement somewhat by engaging in party political polemics directed against Mr Genscher — this is the tip of an iceberg — or rather, the tip of a toxic mountain.

What we need is a central register of all the places in which toxic waste is produced. We need rigorous provisions regarding the reporting of such materials, a centralized system for recording the quantity, nature and transport modalities of toxic substances, along with details of temporary storage, all intermediate transport arrangements and the final place of disposal. Finally, the Commission must carry out rigorous checks and, should we decide to enact new Community legislation, it must be pitched at the highest possible level and not be just the lowest common denominator which the Member States can agree on.

There are a number of questions in urgent need of an answer. Why, for instance, have the existing provisions not been applied? Why have the existing directives not been converted into national law? What steps has the Commission taken to ensure that this is done? What we really need here is a regulation which is immediately binding on the Member States. There must be some legal instrument to ensure that government authorities no longer allow firms to transport such material unless there is some clear, guaranteed and safe form of disposal for final storage. By the same token, firms must be prevented from taking on this kind of transport work unless these conditions are fulfilled. In conjunction with this legislation, we need strict sanctions to be imposed on anyone who fails to meet his obligations. And, if all else fails, we must simply put a stop to the production of the kind of things that inevitably produce toxic waste until we can be quite sure that cases like this cannot recur.

My Group will be voting in favour of joint Amendment No 1 and Mr de la Malène's motion for a resolu-

tion, and we would ask other Members to do the same.

Mr Capanna (CDI). — *(IT)* Mr President, I have concerned myself with the 'Seveso affair' for seven years now — since that fateful 10 July 1976 — first as a regional parliamentarian in Lombardy, and now as a member of this Parliament.

During these seven years the mystery has become more and more involved, and many people have in fact sought to ensure this outcome. Thus we have now reached a situation of scandal and absurdity.

The primary responsibility undoubtedly lies with the Italian authorities, and particularly with the special commissioner for Seveso, Luigi Noè; but the Commission and the Council also bear responsibility.

Replying to an oral question after about 3 months, the Commission stated that it presumed that the disposal of the dioxin had taken place in accordance with Directive 319 of 1978. I would now ask how the Commission can presume this, if the Governments of no fewer than five Member States are not in a position to comply with provisions of Article 9, Paragraph 2(4) of the Directive in question, all denying the presence of the 41 drums in their own territory?

The Council revealed a short time ago that it knew which firm arranged for the final disposal of the waste. It could tell Parliament which firm it was, and we would then have a useful fact to enable us to begin to ascertain the truth.

One decisive question emerges strongly from this — that of democracy. In other words, the greater and the closer the danger to the citizens, the more information on this danger should be given to them. In this case, however, the opposite principle is applied: the greater the danger to the citizens, the less information — indeed none — is given to them. It is a question here of democratic control to be exercised by the citizens.

This Parliament therefore has a great opportunity today to demonstrate whether European actions are those of servility to the interests of the multinationals — such as Hoffmann-La Roche in this case — or practical actions to defend the safety and health of the citizens.

(Applause from the left)

Mr Eisma (NI). — *(NL)* Mr President, I should like very briefly to express our sense of dismay, annoyance and disquiet, as reflected in the motion for a resolution tabled by various Members, including the D'66 group. The real problem, though, lies much deeper.

It is a fact that our industrialized society needs toxic substances, which of course have to be produced and

Eisma

transported. However, the case of the 41 drums of Seveso dioxin has clearly shown that something is not quite right in our economic system. Economic interests have led to the introduction of production processes, the repercussions of which are not even fully known, let alone under control. Nuclear energy, for instance, is being put to use without any real certainty as to the controlled and safe recycling of the fuels used. Chemical processes have been set in motion, and we think we can still dispose of the resultant waste in much the same way as we do of household refuse. This evidenced by all the cases of soil pollution which have come to light over the recent years.

We cannot carry on like that. In cases where the waste constitutes a lethal public hazard, the manufacture of the product concerned must not be left in private hands. In such cases, governments must do more than carry out checks after the event. The whole production must be monitored, from the primary materials right up to the final product stage, and including what becomes of all the by-products. After all, our armies and police forces are not private enterprise businesses — that would be far too dangerous a thing to contemplate.

(Applause)

Mr Bombard (S). — *(FR)* Madam President, ladies and gentlemen, in this exemplary case there is one chief culprit, and that is the Hoffmann-La Roche Company. The transport agents are only subsidiary culprits. In France this culprit, Mr Paringaux, is in prison.

There must be no security blackout on what happens to toxic waste! We are entitled to clear information, especially on waste as poisonous as dioxin. On 4 November 1982, Paringaux, the French link, signed a statement relating to an agreement with the German agent. But who is the next link? Europe must know the location of the 41 barrels of poisonous waste. Hoffmann-La Roche, the multinational that has once more disregarded and deceived the people by violating the law, must assume its responsibilities. Hoffmann-La Roche must define the present and future location of the 41 poisonous barrels and, if necessary, should be threatened with legal action. We have an absolute right to know.

Right now, only Directive 78-79 governs the checking of processing centre registers. It is not enough, because everywhere we are threatened by dioxin. I am sure that this Parliament and the Commission will be able to recommend to the Council for approval appropriate measures against irresponsible multinationals so that similar criminal acts should never again occur. Today, such measures are, indeed, an urgent necessity!

(Applause)

Mr Narjes, Member of the Commission. — *(DE)* Madam President, the Commission welcomes the fact that the European Parliament has, on the occasion of the second environmental scandal linked with the name of Seveso, decided to take this opportunity of expressing its indignation and dismay at the irresponsible activities which have now come to light. The Commission takes the view that this particular case is a challenge *par excellence* to the Community's whole environmental policy.

As regards the firms involved, the Commission feels that no-one can wheedle his way out of his share of the responsibility under the pretext of supposedly knowing nothing, especially when the circumstances he cites as proof of his ignorance were in fact created by him. A smoke screen set up with the aid of notaries' attestations is in fact an attempt to deceive, and cannot be trotted out as an excuse or — worse still — justification for what has been going on.

(Applause)

The accident and the scandal we are discussing here today have occurred at a time when the European environmental system is still in its infancy. There is still a lot to be done, and many of today's statements and the statements made in earlier debates on particular directives and regulations — when the Chamber was not as full as it is today — have shown us the problems we are likely to face, especially in the Council, if we are ever to set up an effective European environmental system. In engaging in this debate, the Commission hopes first and foremost that the Council's future work will be characterized by a quicker pace, a more decisive attitude and a greater sense of responsibility.

(Applause)

The challenge facing us is that we should learn certain lessons from this case — lessons of a substantive and a procedural nature. I shall not reiterate everything that has been said, but I must say that I would be quite happy to call Mr Alber's list of proposed checks my own.

There are, however, a few remarks I should like to make on the history of environmental policy and of the waste disposal industry. As long ago as 1975, the Commission tried to gain acceptance for a commitment which would have entailed sanctions being imposed automatically on offenders in environmental matters. At the time, all the Member States rejected the idea. Some Members have called for a regulation on the subject. I would point out that ideas of this kind have been rejected even at the preliminary stage by the Council as having no prospect whatsoever of gaining acceptance. I would also point out that — if I remember rightly — I have never heard any demand in this House in the past, whenever directives have come up for debate, for those directives to be converted into regulations. I would therefore ask you to be fair to the

Narjes

Commission officials and not heap demagogic abuse on them for setting out what is the legal reality, which is that we are not competent to deal with individual cases, these being exclusively the preserve of the national authorities.

That does not mean to say that, having been made aware of the problem by Mr Capanna's question and the first press reports, we have done nothing in this case. The fact is that, in December last year, we asked the Italian Government what had become of the dioxin waste from Seveso and about the circumstances surrounding that case. The reply we received by telex on 31 January 1983 from the Permanent Representative of the Italian Government to the European Communities confirmed that the trans-frontier transportation and disposal of the Seveso waste had complied fully with the provisions of Directive 78/319, in particular as regards the obligation to make a report to the competent authorities in accordance with Article 14 of the Directive.

The Italian Government has also informed the Commission that the Seveso waste has been disposed of in a controlled clay tip which was particularly suited to the disposal of toxic waste. Exactly where this tip is was not divulged to us by the Permanent Representative of the Italian Government. I think that answers Mr Capanna's question as to our source of the information. We have relied on a Member State's government complying with the obligations which that government itself voted to adopt.

A number of Members have called for the Commission and the Community to take direct responsibility for keeping a detailed check on all trans-frontier transportation of toxic waste and substances. Given that between 2 and 3 million tonnes of toxic waste cross Community borders each year, that would mean that, assuming that an average lorry can take about 10 tonnes, we would somehow have to record and process between 200 000 and 300 000 lorry movements a year. It is worth giving some thought to the resultant amount of paperwork and problems in the Member States so that, when this subject comes up for discussion in the Committee, there can be no doubt as to the consequences of the Commission being made directly responsible for such matters.

In conclusion, I hope that the Commission's desire for the outstanding directives from January to be dealt with as a matter of urgency will bring about procedural changes in that this House's specialist committee will discuss the matter in good time so that the Council meeting in June — and here I would address an appeal to the Council — will not just have a non-committal discussion on our draft, but will have the new directive waiting for a decision by the end of the meeting. I think that answers Mr de la Malène's call for intermediate solutions. The best possible solution would be a much faster decision-making procedure in Parliament and the Council. We could then ask the

Council to shorten the transitional period by six months with the result that, six months after the June meeting — in other words, at the end of the year — we would have new binding legislation. That would be the ultimate in forcing the pace.

(Applause)

Mrs Weber (S). — *(DE)* Mr Narjes, is it true that the Commission can only intervene in cases where Members have tabled questions? As long ago as last October, it was known for sure the Seveso waste had been removed, but you did not request information from the Italian Government until Mr Capanna had tabled his question in January.

Mr Capanna (CDI). — *(IT)* The Commission has told us that it had faith in the Italian authorities. I would now ask whether the Commission is aware that the firm ICMESA did not comply with the obligations laid down in Article 14, paragraphs 1 and 2, which require a firm to keep a register, showing *inter alia* — as the EEC Directive states — the place of final disposal, where known. This is the decisive point which the Commission, if it wishes to retain credibility, cannot evade before Parliament.

Mr von der Vring (S). — *(DE)* Madam President, I should like to ask you a question. As a result of two items of official information from official sources, we now know that the Italian Government supplied the Community with erroneous or inadequate information, and made claims which it cannot possibly check. Could you propose to the Bureau that this matter be investigated as a matter of principle and, if appropriate, propose to Parliament that a committee of enquiry be set up?

President. — Mr von der Vring, that is neither a point of procedure nor is it a matter for the President of this Parliament. I think this must be raised by some other means, but not on the floor of the House in this manner.

Mr Hartkopf, President-in-Office of the Council. — *(DE)* Madam President, with your permission, I should like to thank the House for everything that has been said in the course of this debate and at the same time make the point that the circumstances surrounding the transportation of the Seveso dioxin are both offensive and scandalous. Parliament has come out in favour of putting an end to the soft-peddling, and we too reject all the attempts that are being made to play the matter down. But if we are to make a show of our indignation, that indignation must be factually based. Perhaps you would allow me therefore to answer the question which I think was put by Mr Capanna on the basis of the facts as documented.

Hartkopf

According to the documents available to us — they come from the two Italian firms ICMESA and *Mannesmann Italiana* — what happened was as follows. At the behest of the regional authorities, a contract was signed on an agreed basis between the two firms for the waste material to be disposed of, and *Mannesmann Italiana* subcontracted the work to the Swiss and French firms VADIR and SPÉLIDEC. The actual transport of the dioxin took place under the auspices of the French firm, a letter-box firm based in Mar-seilles.

This firm — SPÉLIDEC — issued a certificate to itself, once the drums of dioxin had been deposited in St Quentin, to the effect that the waste material has been properly stored, embedded in polyurethane foam and covered with a 5-m thick layer of clay. That is all we have heard from that firm. All other statements are based on this same declaration, which was submitted to a notary in Milan, who simply certified that the statement had indeed been made. This kind of procedure is surely unique of its kind, and merely shows that we are in urgent need of a new directive.

This is an area in which credulity — at least that of the Council Presidency — is very much at a premium. We are in favour of checking the facts rather than just believing what we are told. And let me also add that we would be in favour of imposing severe sanctions at either national or international level. What we have here, quite simply, is a criminal act. As regards the facts of the matter, let me reiterate that the Presidency would be quite ready and willing to make the documents in its possession available to this House for official use.

(Applause)

Finally, Mrs Weber said that the Federal German Government had failed to produce the report which should have been due three years after adoption of the 1978 directive. Possibly she got her facts wrong because the Federal German Government was in fact the first government to make its report to the Commission.

(Applause)

Mrs Schleicher (PPE). — *(DE)* There is another question I should like to raise on this point.

There are only very few tips which could possibly be used for this kind of material. Would it not be possible to get details from these tips of the kind of stuff that has been dumped there over recent months? It would then surely be easier to find out precisely where anything has been dumped. Should it prove impossible to do anything of the kind, it seems to me absolutely baffling that things can simply be hanging around somewhere putting the population at a risk without our being able to get to grips with the problem.

I would ask you to look into whether this kind of assurance can be given in the future, if it is already too late to do anything about the past.

Mr Narjes, Member of the Commission. — *(DE)* We made our enquiry of the Italian Government on 8 December. The answer was dated 31 January. The press reports came in the previous November, so bearing in mind our staffing levels, I think we reacted fairly quickly. Given that we are not responsible for carrying out direct checks, whenever our attention is drawn to serious matters by press reports, questions in the House or some other source, we have to rely on Member States going beyond their mere obligations and informing us of what they know for the sake of goodwill. I think this particular case ought to result in our being given greater powers than we have at present for carrying out direct checks on waste tips.

As regards Mr Capanna's supplementary question, I should like to point out that the Commission is, under present law, dependent on the national governments to carry out direct checks. We neither have the legal authority nor the necessary resources to act instead of national governments in this respect.

Mr Capanna (CDI). — *(IT)* You also have the duty not to believe the lies of the national governments!

Mr Sherlock (ED). — Madam President, an extremely interesting remark with came in the last information from Mr Hartkopf was that this waste had finally — and I am not querying the wrongs of the way in which it got there — been incorporated in a process which I know is being implemented on a research basis in my own constituency and by a highly responsible research organisation. I wish to ask the Commissioner if they have knowledge of any such process in the north of France which might eventually have disposed of this nasty stuff reasonably safely.

Mr Narjes, Member of the Commission. — *(DE)* Madam President, I would first have to ask our scientific advisers whether they know the details of the process mentioned by Mr Sherlock.

Mrs Squarcialupi (COM). — *(IT)* Madam President, a brief question to the Commissioner: is there a list of firms carrying out disposal activities?

Then a comment on what Mr Johnson was saying — that Great Britain is free from this problem. The most recent — unchecked — press information in Italy was that the dioxin had perhaps been burned in an incinerator near London. So none of our countries is free from this dioxin mystery.

Mr Narjes, Member of the Commission. — *(DE)* I should like to say to the Honourable Member that lists

Narjes

of this kind can only be kept by the Member States' governments. The number of incineration furnaces is relatively small. If I am not mistaken, there are something like 12 such installations in the Community which are capable of generating temperatures in excess of 1 200°, the kind of temperature which is needed to burn dioxin.

President. — In view of the very great importance of this matter of which the European Parliament has been fully seized, I have, under Rule (64(4)), allowed a considerable number of speakers to put questions to the Commission, and I am grateful to the Commission for having replied so promptly to these questions. However, there clearly must be a limit to the number of questions which can be put at the end of such a debate, and it is within the competence of the President, under the Rules, to decide who should put questions. I have tried to take a Member who has requested to speak from each of the main political groups.

The debate is closed.

We shall now proceed to the vote.

Mr von der Vring (S). — (DE) Madam President, we have two amendments here. Amendment No 1 is almost a compromise amendment to replace all the others and Amendment No 2 is an addition to another. Is it possible for us to vote on Amendment No 2 as an addition to this new joint text?

President. — Mr von der Vring, under the Rules of Procedure, when a text to which there is an amendment has been fully replaced by another amendment, it is not possible to retain the amendment to the original text. Mr von der Vring, if you wish to put it as an amendment to the amendment, then of course it is an addition. If the House agrees that we can accept that amendment, well and good, but let us see first whether the amended text is adopted. If not, we will come back to your point.

Vote¹

After the adoption of Amendment No 1

Mr Gautier (S). — (DE) Well, Madam President, what about the procedure? When I tabled the amendment I did not know that there was another amendment to replace the joint text. On account of the deadlines the author of an amendment who would like to table an addition to an unavailable text has no option

but to do so on Tuesday. This means, in my view, that the rules ought to be interpreted in such a way that this addition can be incorporated in the amended texts. It makes no difference whether this comes under 3 or 4.

Mr Irmer (L). — (DE) Madam President, I am afraid we might be setting a dangerous precedent if we adopted the procedure proposed by Mr Gautier, because then everyone who has tabled amendments to original texts could say that even though a compromise amendment had been adopted all the other amendments still stood. Compromise amendments would thus have no more sense at all. I urge you to rule out this procedure.

Mr von der Vring (S). — (DE) Madam President, I should like to reject the notion that this amendment we are talking about is a compromise amendment. It is a perfectly ordinary amendment to paragraph 1. According to the Committee on the Rules of Procedure and Petitions, you have a compromise amendment when other amendments are withdrawn in its favour.

President. — Mr von der Vring, I would draw your attention to Rule 54(2), which says an amendment shall lapse if it is ruled out by decisions previously taken on the text during the same vote, and I am afraid this is precisely what has happened. I do not argue with Mr Gautier that it may be a perfectly good thing to have in the text, but under the Rules of Procedure I am unfortunately not in a position to accept it. The only other way that I can deal with it is for the House to agree a viable amendment by saying that this will be an amendment to Amendment No 1. If the House agrees that this paragraph 3(a), contained in Amendment No 2 tabled by Mr Gautier and others, may be an amendment to Amendment No 1 — the text which we have now voted on — I would be willing to accept that. Is the House in agreement, or not? Are there any objections?

Mr Irmer (L). — I raise an objection.

President. — Well, I am sorry, since there is an objection, I have to abide by the Rules of Procedure adopted by this House and I must therefore not put this amendment to the vote.

Mr Gautier (S). — (DE) Madam President, of course you are right in your interpretation but I am not altogether convinced by the logic. The question which is raised in this amendment does not appear in any original motion for a resolution, not even in Amendment No 1. This then is a genuine addition, which cannot be replaced by such an amendment.

¹ See Annex.

Gautier

I should like to ask the Christian Democrats how you are going to force information out of a large pharmaceutical firm which is also involved in disposal. I am surprised at the effort to remove this point by querying the procedure.

President. — Thank you Mr Gautier, for making that point. As you are well aware, logicity and the Rules of Procedure are not always *ad idem* and we will send this matter to the Committee on the Rules of Procedure and Petitions to have it looked at.

Exchange control restrictions in France

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

- the motion for a resolution tabled by Mr Nyborg, on behalf of the Group of the European Progressive Democrats, on currency restrictions on French citizens (Doc. 1-132/83);
- the motion for a resolution tabled by Mr Calvez and others, on behalf of the Liberal and Democratic Group, on the French Government's decision to restrict travel abroad (Doc. 1-133/83); and
- the motion for a resolution tabled by Mr Seitlinger and others, on behalf of the Group of the European People's Party (Christian-Democratic Group), on the violation of the freedom of movement of French tourists resulting from the exchange control-regulations introduced by the French Government (Doc. 1-144/83).

Mr Nyborg (DEP). — (DA) Madam President, it is an entirely different kind of poison we are talking about now. It could hardly have come as a greater surprise to me to hear that a government of one of the Member States of the European Community was seeking to restrict its people's opportunities for travel abroad, and after some thought, my surprise changed into a mixed feeling of concern and irritation, right up to anger, disappointment and despair. What is the point? How much store can we set by all the fine words on the importance of the Community if a government is free, at its own discretion, to resort to such a selfish and destructive kind of behaviour? What point is there in all the talk about a Community passport, fever border formalities and so on, if not all the people in the Community are to have the same chance to travel to even the neighbouring countries? To my mind, the imposition of exchange control restrictions in France amounts to a serious curtailment of personal liberties. I cannot imagine that we would be particularly keen on the introduction of Eastern European methods in the Community. As a forum for public opinion in Europe, we in this House must say what we think in a way which can be understood in Paris too.

The infringement of personal liberty is one side of the story. The other side is that the French Government is, by pursuing this policy, ruining the tourism policy which is now coming into being in the Community.

The Commission recently published its first guidelines on a tourism policy — a commendable initiative from our point of view. And the French Socialist Government cannot be allowed to put a spoke in the wheel of that kind of initiative. There are said to be four million people in the Community who are employed in the tourist trade, and a lot more are indirectly dependent on the trade for their livelihoods. We realize that tourism is making a contribution towards creating new and essential sources of income for the poorer areas of the Community; we also realize that, by bringing the peoples of Europe into contact with each other, it is helping to improve international understanding. There is thus every reason to encourage tourism on a Community-wide basis, and the effects of the selfish nationalistic measures taken by the French Government are therefore all the more repulsive, and may well have entirely the opposite effect. The fact is, after all, that if you try to prevent your own people from travelling abroad, you will at the same time be preventing other people from coming and partaking of the delights of your own country. In other words, it is doubtful whether there will be any overall gain at all.

We agree with the Commission that life should be made easier for tourists within the Community, and that goes for all the people of the Community. Customs procedures need to be simplified, passport checks should be eased — and preferably done away with altogether — and assistance to tourists, insurance and the like all need improving. We should give some thought to whether it would be possible to stagger holiday periods in the Member States. There is plenty of work we can get down to. And we should set about the work in a positive, rather than a negative, spirit, eschewing the kind of attitude adopted by the French Government. But what we have instead is a situation in which the European tourism industry is facing grave problems in a number of countries because the expected business from French tourists will not now materialize.

On the other side of the coin, foreign tourists who had been looking forward to partaking of the many attractions France has to offer are presumably resigned to not being able to partake of them after all. If the Commission is not prepared to take the initiative and censure the French Government, I would advise the French people to take their case directly to the European Court of Justice. In my opinion, what we have here is a clear violation of Articles 3 and 71 of the Treaty of Rome.

All in all, the exchange control restrictions introduced in France are a reflection of the kind of attitude which we European politicians must reject outright. That is

Nyborg

why we demand that these restrictions be lifted very quickly — today rather than tomorrow.

(Applause)

IN THE CHAIR: MR KLEPSCH

Vice-President

Mr Calvez (L). — *(FR)* Mr President, ladies and gentlemen, among the austerity measures adopted on 25 March by the French Government we deplore the restrictions placed on our compatriots to travel abroad since they cannot take with them the amount of money that would enable them to cover their expenses.

It is true that some modifications have been made to the initial decisions or, in fact, the Malthusian measures that were taken without consultation and made public without a proper assessment of their impact, which is out of all proportion to the damage that will be done to the French economy. I must raise this point here because the measures taken do not take account of the specific nature of the French tourist industry and, at a moment when information reaches the most remote areas of the world in a few seconds, the restriction of the movement of persons has dismayed not only the French but also our foreign partners. It is a basic human right which has been called into question. This basic right is the individual's freedom to travel throughout the world and to do so in accordance with the Helsinki Agreement and that of the World Tourism Organization on the freedom of movement of persons. It is true that freedom is a French word which left France several hundred years ago to go around the world and that it has not yet returned from that journey.

At the end of this 20th century we cannot accept any interference with the freedom of movement of persons and, moreover, it is surprising that through an official communiqué the French Government recently expressed satisfaction at the increase in the surplus of its foreign exchange balance because it claimed that France in the past accepted the free travel abroad of its residents but today the foreign currency outflows which are related to tourism are considered a cause of our external deficit. It must be admitted that in France we are not short of contradictions!

We should not forget that in July and August hotels in France will not be able to accommodate an additional number of French customers who, short of foreign exchange, are compelled to remain at home and the usual foreign customers, who may be discouraged. In addition, the harmful effects of these measures on

French airlines, major French hotel chains and employment are not negligible.

Lastly, the present policy overlooks the fact that several countries, particularly those in the Mediterranean Basin and Eastern Europe, had signed tourist cooperation agreements with France since the coming of French tourists to these countries encouraged them to call on French undertakings to develop their catering industry.

By adopting our motion for a resolution and that tabled by other Members of Parliament, you will once more be condemning protectionism and will be ensuring compliance with the letter and spirit of Article 3 of the Treaty of Rome.

(Applause)

Mr Seitlinger (PPE). — *(FR)* Mr President, ladies and gentlemen, I would like to point out, right away, that we should not be mistaken about the forum. Being also a member of the National Assembly in Paris, it is obviously in that forum in Paris, and only there, that we can consider and — as Members of Parliament of the opposition — denounce the political errors of the Socialist-Communist administration during the last 22 months, which has led to three devaluations and the measures under consideration.

Here, at the European Parliament, I would like to limit my comments to the drastic exchange control measures of 25 March 1983, which seriously interfered not only with the freedom of movement but also with the tourist and transport industries in my country and the rest of Europe. It is obvious that with the possibility of going abroad only once a year and of being able to spend only the foreign currency equivalent of 2 000 French francs — considering the prohibition to use credit cards — the tourist industry is seriously hurt, all the more so as it was enjoying a surplus which would now certainly turn into a deficit. A country that closes its frontiers to its own nationals does not encourage foreigners to visit it. There are many induced losses, for example, it must be recalled that not only Air France takes off from Paris but also 125 foreign airlines which will also suffer from the repercussions of this policy. This policy will particularly affect young people and will first penalize neighbouring countries, that is to say European countries. The corrective measures taken recently according to which travel agencies can maintain three quarters of last year's capacity will lead to a paradoxical situation in which during the summer of 1983 it will be possible, through a travel agency, to go to China or Mexico but forbidden to a teaching couple to go with their caravan and spend several weeks in a neighbouring country such as Italy.

These measures also penalize countries south of the Mediterranean such as Tunisia, as well as Spain, which has applied to join the Common Market. It is because

Seitlinger

these measures are inappropriate, totally ineffective and obviously contrary to the letter, spirit and objectives of the Treaty of Rome that we are appealing to the Commission to denounce them. Since this resolution is in line with that of Mr Calvez, the two are perfectly complementary.

(Applause)

Mr Saby (S). — (FR) Mr President, ladies and gentlemen, I would like to refresh your memories. On Monday, President Thorn on behalf of the Commission described the technical measures taken by the French Government as positive and courageous. I would also like to specify the exceptions to these technical measures. Cultural and linguistic exchanges with young people and others have, in fact, been taken into consideration in what has been done. Lastly, mention was made of contradictions. I would like to consider that statement as humorous because those who are talking of contradictions should remember what happened in the past, since there is a precedent. The persons who today are speaking with so much wrath against these measures are the very ones who ten years ago took similar measures by creating an exchange control booklet which allowed for the exchange of up to 700 French francs only. At that time no one talked of anti-European policies, scandal or interference with freedom. Not only were the policies adopted but they were supported. Consequently, when we look at the past we see unpardonable and unacceptable contradictions.

(Applause from the Socialist Group)

When people talk of freedom . . .

(Boos)

. . . Mr President I would like you to note that I respectfully listened to the previous speakers and that we remained calm. As I was saying, when people talk of freedom they often forget the freedom of millions of workers in Europe. They forget the freedom of French people and Europeans, who are also entitled to stable purchasing power. They often forget those who, having no sense of civic duty, shamelessly take capital abroad and who are thus committing a real economic offence against their country, French citizens, the European Monetary System, in short against Europe. That is the sort of freedom that they enjoy with impunity. They uphold with impunity and deliberately the interest of the few to the detriment of the interests of all, a country and a Community as a whole. Not only do they indulge in such misbehaviour but also seek by all means to evade European national taxes by fleeing to tax havens throughout the world. The European Economic Commission should not only congratulate us as it has already done through its President for the courageous measures taken by the French Government but it should also express its gratitude to

us and encourage us because the foremost priority of the Community is monetary solidarity, and any policy that is intended to strengthen that solidarity must be considered as being perfectly in line with the Treaty of Rome. I therefore call on all Europeans and all fellow Members of Parliament who are serious and responsible to vote against these unrealistic and trivial resolutions that are prejudicial to the reputation of this Institution and Assembly. To all those who are against European monetary stability and the right of men to have decent purchasing power I must say that they cannot see the wood for the trees.

Mrs Pauwelyn (L). — (NL) Mr President, ladies and gentlemen, for all those who, years ago, set to work with a will in the interests of the European Community, the exchange-control restrictions imposed recently by the French Government amount to sacrilege to the European cause. There can be no denying that France is on an anti-European kick. Both the French threat to leave the EMS and President Mitterrand's recent statement aiming to curb our own budgetary powers are still fresh in our memories. And not only that — not only the French people themselves, but also the entire European Community are being asked to pay the high price of ailing French Socialist policies. As the motion for a resolution tabled by my Liberal colleague rightly says, the exchange-control restrictions are a violation of fundamental international and European rights, and it is inconceivable that a Member State of a free and democratic European Community should be capable of the kind of regulation which are imposed only in Iron Curtain countries and some of the developing countries.

Nor should we underestimate the real consequences of the French *faux pas*. I am thinking here in particular of the freedom of movement of French people abroad and of our own tourism industry. After all, can you still claim that people are free to move at will if they are not allowed the money they need to keep body and soul together when they are abroad? The repercussions for the tourism industry along the Belgian coast will be substantial, and I think that a few statistics will bring this point out clearly. In 1981, there were close on 300 000 overnight stays on the part of French people holidaying on the Belgian coast. In 1982, in the months of July and August alone, something like 100 000 holidaymakers were recorded, and these figures reflect only overnight stays in hotels, holiday camps, holiday homes and on camping sites. In addition to those, you also have to bear in mind the thousands of daytrippers who flock to the Belgian coast every year. As a result, these exchange-control restrictions will hit our catering and accommodation sector hard, just as they will all the French tourists who will no longer be able to enjoy all the facilities along the Belgian coast, ranging from exclusive localities to family resorts.

Mr De Goede (NI). — (NL) Mr President, it is entirely laudable that the French Government and in

Goede

particular our erstwhile colleague Mr Delors, the Minister for Economic Affairs and Finance, are trying to revitalize the French economy. Parallel to, and as a consequence of, the recent changes in the official exchange rates, a number of measures have been announced, the aim being to strengthen the French currency and improve the balance-of-payments deficit — which is very large — and the competitive position of French business. All that is perfectly laudable.

But again the French Government has resorted to the kind of thing we are duty bound to criticize, to wit exchange-control restrictions. Quite apart from the fact that there is very little prospect of these measures achieving the stated aim, they are in my opinion quite clearly contrary to the Treaties. The free movement of people and capital is one of the fundamental elements of our common economic policy as laid down in the Treaties. Following on after Poitiers, this latest French measure is another serious violation of fundamental agreements and thus deserves to be rejected by us.

We hope that the French Government will lift these restrictions with all due speed, but if it does not, the Commission, as the guardian of the Treaties, will have to set in motion the established procedures, if necessary taking the case to the European Court of Justice. Given that this is bound to take time, the best solution would be for all the Member States to bring pressure to bear on the French Government on this matter.

Mr President, we shall be giving our support to the motions for resolutions before us now.

Mr Narjes, Member of the Commission. — (DE) Mr President, so long as the Community remains a disunited currency area, unpleasant surprises at the national borders will always be possible in the event of persistent disparities and divergencies in the economic policies pursued by the Member States. And this is one of the reasons why it is important for us to be debating these questions today. Following the recent realignment of the guide rates in the European Monetary System, the French authorities decided, at the end of March 1983, to introduce exchange-control restrictions as part of their general programme for economic recovery. French tourists are now allowed to take abroad with them an annual total of no more than 2 000 francs in foreign exchange per person and a further 1 000 francs for each child. Nor are they allowed to take with them more than 1 000 francs per person in French currency. These restrictive measures have subsequently been eased somewhat, more particularly in the package holiday industry. Further concessions have been announced for business and study trips and for journeys abroad made for medical purposes, and according to the French Government, the full range of restrictions are expected to remain in force until the end of this year. The situation in Paris appears to be perfectly clear, but the Commission has so far not been informed officially of these measures, nor have any applications been made.

The entire French economic recovery plan is currently being subjected to close scrutiny by the Commission in conjunction with the authorities concerned, in the course of which we are also taking a close look at the exchange-control restrictions in the light of Article 106 et seq of the EEC Treaty.

Incidentally, France is not the only country to have imposed exchange-control restrictions. Similar measures have been taken in the past, including earlier restrictions imposed by France in 1969 and 1970. At the present time, there are exchange-control restrictions in force in Italy, Denmark and Ireland, as well as in Greece as part of the special situation resulting from the Treaty of Accession. Experience has always shown that none of these restrictions have been particularly effective.

An action of fundamental importance which I should like to draw your attention to concerning similar restrictions in Italy is currently before the European Court of Justice in Luxembourg. It is expected that the judgement in this case will be of major importance as regards the French restrictions as well as the similar restrictions in force in Italy, Denmark and Ireland, as I mentioned just now.

President. — The debate is closed.

*Vote*¹

Mrs Fullet (S). — (FR) Pursuant to the Rules of Procedure, Mr President, I would ask you to ascertain if we have a quorum.

President. — I note that more than ten Members have requested that the quorum be ascertained. As far as I remember, this is the first time this has occurred during a topical and urgent debate. The vote will be taken tomorrow morning when there is a quorum.

Mrs Kellett-Bowman (ED). — Point of order, Mr President! In the past we have always regarded the attendance at these urgent debates as an indication of the interest that Members had in them, and therefore we came to the conclusion that the time to take the vote was immediately after the people present had heard the arguments. Now, the whole point of that is lost if we vote at some subsequent time. This may be the rule, Mr President, but it has never been done before and the Socialists may well rue the day when they chose to use this particular rule in this way.

President. — I agree with you that this is not a good idea since a precedent of this kind will of course occur

¹ See Annex.

President

again on other occasions. But there was no other decision in accordance with the Rules of Procedure. I shall ask the Committee on the Rules of Procedure and Petitions to consider the matter.

Mr Galland (L). — *(FR)* Mr President, we are governed here by Rule 71 which refers us to Rule 85. Tomorrow morning there will be another request to ascertain the quorum and Rule 85(4) can then be applied. I therefore ask you here and now, in accordance with Rule 85(4), that referral to the committee responsible be subject to a minimum time limit and that you make sure that these motions are voted on at the next plenary part-session.

President. — As I see it, there is no provision for referring urgent motions to committee.

Mr Sutra (S). — *(FR)* Mr President, I just want to speak in order to say I agree with you. It is an annoying precedent, but Mr Narjes has just told us that similar measures were taken in 1969 in Denmark, Italy and Greece, as well as in France, I should like to ask him whether, when Denmark took these measures, the Danes brought the matter up. When Italy took similar measures, did the Italians bring the matter up? When Greece took such measures, did the Greeks bring the matter up? And when France took similar measures in 1969, did any Frenchmen bring the matter up?

President. — I must stop you speaking, Mr Sutra, because you are not speaking on a point of order.

Mr Nyborg (DEP). — *(DA)* Mr President, you appear to have settled the problems, since what you say is absolutely correct. The matter under discussion in this topical and urgent debate cannot be referred to — or referred back to — committee, since it did not come from any committee.

President. — The quorum is not present. The vote on this item will be taken first thing tomorrow morning.

Situation in Nicaragua

President. — The next item is the joint debate on four motions for resolutions:

- motion for a resolution (Doc. 1-140/83), tabled by Mr Boyes and others on behalf of the Socialist Group, on the situation in Nicaragua;
- motion for a resolution (Doc. 1-152/83), tabled by Mr Barbi and others on behalf of

the Group of the European People's Party (CD Group), on Nicaragua;

- motion for a resolution (Doc. 1-159/83/rev.), tabled by Mr Ephremidis and others on behalf of the Communist and Allies Group, on hostile action towards Nicaragua;
- motion for a resolution (Doc. 1-136/83), tabled by Mr Glinne and others on behalf of the Socialist Group, on the murder of Mari-
anella Garcia Villas.

Mr Boyes (S). — Mr President, I wish to withdraw the resolution on Nicaragua tabled in my name and ask for it to be referred under Rule 47 to the appropriate committee. May I just say that in view of the imminent danger in that country, I really do regret this Parliament was not able to have a text to debate this morning.

President. — I take your statement to mean that you are withdrawing this urgent motion but that in accordance with Rule 47 you are going to table it again and we shall refer it to the committee responsible.

Mr Langes (PPE). — *(DE)* Mr Boyes' words stem from an argument between groups. We are ready to change our motion for a resolution, together with the motions by the Socialist Group and the Communist and Allies Group, into one motion pursuant to Rule 47 of the Rules of Procedure and to refer it to the Political Affairs Committee for further consideration.

President. — We shall deal with the motion by the European People's Party in the same way as we have dealt with the Socialist Group's motion.

Mr Adamou (COM). — *(GR)* Mr President, since the other groups have withdrawn their motions, we shall withdraw our own motion as well, on the understanding that the subject is referred to the appropriate committee under Rule 47.

Mr Hord (ED). — Mr President, it does seem to me to be a total abuse of the parliamentary operation if people, having gone through all the procedure of getting a motion down for urgent and topical debate — and time is devoted to it — when we are here in the Chamber, decide to withdraw it and refer it to committee. I think this is a total abuse of this House, and I feel that before a matter, having reached the Chamber, is put before the committee the decision should be taken by a vote by the Members present.

President. — I take note of your personal view on this matter, but the authors are entitled to act in this way.

Mr Haagerup (L). — Mr President, may I say in reply to what has just been said that prior to the recommendation that all these resolutions be referred to committee there had been long and protracted discussions as to how we could most usefully play a rôle and be informed as to the situation in the area we are talking about.

Speaking on behalf of a group which has not submitted a resolution of its own, I would like to support the proposal to have these resolutions all referred to the committee so that a proper report can be drawn up. In fact, therefore, the intention is the exact opposite of what has just been said.

President. — The three urgent motions for resolutions have been withdrawn. The authors have stated that they will table their texts again without urgency in accordance with the relevant rule in the Rules of Procedure, after which they will be referred to committee.

Mr Langes (PPE). — After what Mr Haagerup said, I can only endorse that. The important thing here is the subject and not the procedure, as the Member from the United Kingdom suggested.

Mr de Courcy Ling (ED). — Mr President, this morning we are having a series of topical and urgent debates. All these matters are urgent. On each motion for a resolution we are vulnerable to the calling of a quorum. We do not have a quorum now, and it is unlikely that we shall have a quorum before 1 o'clock unless the Chair takes some action to invite Members to the Chamber. I think that the emptiness of the House is a disgrace to the House. It is also an insult to very many members of the public in the Public Gallery who have travelled from all over the European Community to be here to observe the proceedings of this House.

I therefore propose, Mr President, a ten-minute adjournment of the House and request that you send a message to the chairmen of all the political groups and to all the committees and working parties sitting all over this building to invite them to attend here at 12.10 p.m. in order to take part in this topical and urgent business.

President. — I cannot do that. I did my best, because when I was informed that there would be a request to ascertain the quorum I had the bells rung about ten minutes beforehand in order to summon anyone who wanted to take part in the vote. I was not successful and we are not going to achieve anything if I now interrupt the proceedings for ten minutes.

Mrs Kellett-Bowman (ED). — Mr President, could you please refer this matter to the Committee on the

Rules of Procedure and Petitions? It would have been perfectly easy for those three groups to have withdrawn these motions when they came up for discussion at the beginning of the proceedings today. There are many people who organize their time in such a way that they can be present for a particular debate. For example, my colleague had to rush here because one debate fell by the wayside and he was responsible for the next one. Many people will be expecting quite a lengthy debate on Nicaragua and will be attending to other matters. They will not be expecting this extremely important debate on Ethiopia to be coming up now. Therefore those who are very interested in this will be denied the pleasure of hearing my colleague and will not be here for what is, as you will appreciate, an extremely important debate. We have people from Ethiopia here to listen to it. They will believe that we are not interested in the plight of their country.

President. — I am sorry but I cannot follow you, Mrs Kellett-Bowman. We are now going to start the debate on Nicaragua. Everyone knew that we were going to have the topical and urgent debate this morning. No one knows exactly beforehand how long a particular subject will take. I take note of what you said, but it had very little to do with procedure.

Mr C. Jackson (ED). — Mr President, my point of order relates to the next debate, but I will make it now since you have been kind enough to give me the floor. I understand that the Commission's investigation into aid to Ethiopia is now complete and I wonder if we might invite the Commissioner, before the debate on Ethiopia, to make a brief statement on his report on aid to Ethiopia.

Mrs Van den Heuvel (S). — *(NL)* Mr President, the world was deeply shocked by the reported murder of Marianella Garcia Villas. Memorial ceremonies took place in a number of Member States of the Community and the Socialist Group finds it a good thing that today this Parliament should also be joining the ranks of those who voice their abhorrence of what has happened. Anyone who is familiar with the work of Marianella Garcia knows that with her death the world has lost a great proponent of human rights, and anyone who knew her personally knows that the world has, with her death, lost a great human being.

She herself rarely spoke about her personal efforts. She merely showed the results of her work, i.e. photographs she had taken of the victims found along the roadsides in El Salvador, the horrific violations of human rights which, time and time again after thorough investigation, she found had taken place. She knew only too well the risks she was running. Her predecessor as Chairman of the Committee on Human rights fell into the hands of her murderers briefly after this Committee had brought out a report on the tor-

Van den Heuvel

tures to which prisoners were subjected. Later, when her body was found it turned out that before her death she had been subjected to virtually everything that had been listed in that report. However, Marianella Garcia felt it her duty to continue the work of her predecessor and insisted that this work should not only be carried out from the relative safety of Mexico. She wanted the people in El Salvador who daily suffered under the repression to be able to meet her regularly. When the reports of napalm and phosphorus bombs being used reached her, she wanted to carry out her investigations on the spot. Marianella Garcia started every day of her life in the knowledge that it could be her last. The end finally came on 13 March 1983.

It is encouraging to that see the European Parliament appears lively to express its horror at this murder reasonably unanimously today, and in this way play its part in enabling others to continue the work of Marianella Garcia. However, this is not only a task for the citizens of El Salvador — it is not only they who have a duty to continue this work in memory of Marianella Garcia. We have an equal responsibility or, to put it in the words of the Dutch journalist, Koos Koster, who was also murdered in El Salvador some time previously, 'our survival places us under an obligation'.

Mrs Lenz (PPE). — (DE) On behalf of the Group of the European People's Party I support the motion on the murder of Marianella Garcia Villas, as well as the amendments tabled in our name. To our mind murder will always be murder, and our Group would like to express its horror at this act. We know from bitter experience that a problem cannot be solved by this method, least of all in a troubled situation, such as exists in El Salvador. On the contrary, it only leads to new violence. Human rights are indivisible. They deserve our protection here as well as throughout the world. Those who campaign for the cause of human rights on behalf of us all should be able to rely on our support and respect and also see their work safeguarded. Parliament will shortly be debating a report on the situation in El Salvador and Central America, in which the question of human rights will be a central issue.

With this in mind, I now ask on behalf of our Group for your support for this motion.

Mr Haagerup (L). — (DA) Mr President, you will be pleased to know that I intend to speak for less than a minute. Obviously, I find it perfectly in order that we should debate Nicaragua. I should merely like to stress that it is vital that the entire situation in Latin America, which is, after all, so important, should be the subject of thorough discussion and a report from the Political Affairs Committee, and this will indeed be the case. I shall be glad to support the motion which has been tabled and which, as I understand, has become a joint motion.

Mr Pisani, (Member of the Commission). — (FR) Marianella Garcia Villas and Issam Sartoui, these are two people who fought against violence without resorting to it themselves. Within the space of a few weeks, however, they were both murdered. I think this reveals the state of our world, and I consider it to be of utmost importance that the European Parliament should adopt a position — as in fact it intends to do — so that it can voice its support and respect for those who rightly deserve it and who are fighting against all odds on behalf of mankind and for peace.

The Commission, therefore, proposes that the document before us should be adopted. We also think that our debate on Nicaragua would profit from preparation, but it is clear that, in tackling this particular problem, we will be forced to carry out a joint study on the problem of Central America as a whole, both in committee and in plenary session, as it is certainly one of the major problems facing the world today.

President. — The debate is closed.

Vote¹

Emergency aid to Ethiopia

President. — The next item is the joint debate on three motions for resolutions:

- motion for a resolution (Doc. 1-123/83), tabled by Mr Christopher Jackson and others on behalf of the European Democratic Group, on emergency aid to Ethiopia;
- motion for a resolution (Doc. 1-134/83), tabled by Mr Vergeer and others on behalf of the Group of the European People's Party (CD Group), on emergency food aid for Ethiopia;
- motion for a resolution (Doc. 1-143/83), tabled by Mr Vergès and others on behalf of the Communist and Allies Group, on aid to Ethiopia in the face of exceptional drought.

Mr Jackson has suggested that we ask the Commission to speak first. Does this mean that in future urgent debates we are going to let the Commission speak twice, at the beginning and the end? To avoid setting any precedent, I should like to consult the House on whether it might not be better to let the Commission speak after the debate as usual.

Mr C. Jackson (ED). — My group has seen the press reports of the Commission's investigation into food

¹ See Annex.

C. Jackson

aid to Ethiopia, and we trust that Members of this House will have access to the full written report in order that we may study it in detail to check its methodology, its sources and its conclusions.

Mr President, I have recently met representatives of the Ethiopian Government and of the Liberation Front. There is no doubt that a serious famine exists, particularly in Northern Ethiopia in the areas of Tigray, Walla, Gonda and Eritrea. Perhaps as many as three to four million people are affected and some 700 000 people are starving, of whom maybe 50% are children under 12. Supplies of emergency food aid are urgently needed, and my group believes that the European Community must play its full part in getting supplies to all those in need. I stress the phrase *'to all those in need'*, for tragically the famine is at its worst in areas affected by civil war. That is why we urge the use of knowledgeable and competent NGOs, charities and international relief agencies so that help goes directly not only to those in government-controlled areas but also to those in Liberation Front areas, where we are satisfied transport routes exist, and to those in the terrible 'grey' areas where the conflict sweeps to and fro. It is absolutely vital that food supplies do not become a political weapon and that people do not starve simply because of their political allegiances.

Mr President, having studied the Ethiopian problem intensively for the last few months, I am left with one overwhelming impression. It is an impression of the folly and tragedy that one of the world's poorest countries should continue a 20-year long regional war which drains its energies, inevitably diverts resources from its own development to fuel a useless conflict and ruins the lives and livelihoods of its citizens. It gives us cause to ponder whether the world's general aid programmes to Ethiopia and to the Liberation Front are not indirectly making possible the continuation of this tragic civil war.

We call today for emergency food aid for the starving, but we are well aware that the famine results from conflict as well as from drought. It is high time that the Ethiopian Government and the Liberation Front started to use the negotiating table rather than arms to solve their differences. There is also, of course, the long-running border conflict between Somalia and Ethiopia.

So, Mr President, when this famine has been assuaged, I hope that the Lomé partners, the European Community and the ACP countries, who want nothing more than Ethiopia's peaceful development to prosperity, may be invited by the various parties to the conflict to help as friends in the difficult negotiation of a settlement. I hope and believe that this House will unite in the thought that today we can and must give food aid to Ethiopia but that the best gift of all would be peace.

(Applause)

Mr Vergeer (PPE). — *(NL)* Mr President, the Group of the European People's Party has emphatically called for this debate to be held and I should like to explain briefly why and what we hope to achieve. The food aid as provided by the European Community has come in for criticism in recent years — from Parliament on behalf of the Court of Auditors, from private organizations and last but not least from public opinion. I should like to make it quite clear that I do not deny that there has been an obvious improvement and that the good intentions and efforts of the Commissioner primarily responsible for this matter and his assistants are beginning to show some results.

Nevertheless, as we see it, all is not well in this matter and when we hear things that would tend to confirm this view, we should react immediately and I am thinking here, among other things, of the recent press reports regarding food aid to Ethiopia. We should of course be prepared to forget reports of this kind without more ado if they should prove to be unsubstantiated, and so far this has generally speaking been the case. However, the man in the street only remembers these initial reports, which come to form part of the picture he has of this aid. This is a political fact of life.

For this reason, one of the things we must do here is to establish the accuracy or otherwise of information of this kind in public and obviously we all hope that these reports will prove to be incorrect. I am sure, moreover, that the Commissioner agreed to take part out of the same preoccupation. No one will dispute the fact that the situation and developments in the Horn of Africa give cause for concern, and this is all the more reason for keeping a close eye on the results of aid provided by the Community in this complex interplay of powers. As far as food aid is concerned, our prime concern is that it should reach those for whom it is intended. In many cases it is regions of instability which are involved where central government is not represented or is not in control of events. For this reason alone, it might be necessary to channel the aid via non-governmental organizations which know the areas and the people involved. However, as far as we Christian Democrats are concerned, we generally prefer to use these non-governmental and other aid organizations in the provision of food aid. It is those people who are endeavouring to build their own futures or to help others build their futures by means of their organizations who primarily deserve our support.

Finally, I should like to say how pleased I am that, in view of the amendments which have been tabled, Parliament appears likely to give its broad support to the immediate continuation of emergency aid.

Mr M. Martin (COM). — *(FR)* Mr President, I am taking the floor on behalf of my colleague and friend, Mr Paul Vergès, signatory to the motion for a resolution tabled on behalf of the Communist and Allies Group, who is absent today.

Martin

No political movement in this Assembly can afford to remain indifferent to the sufferings of the Ethiopian people, who are faced with a terrible threat of famine. In fact, 3 million people are threatened by famine caused by exceptional drought which is only the beginning of more widespread drought affecting the entire Sahel. Everyone will agree that this aid is a matter of absolute urgency. We should, in fact, ask ourselves whether this is really the time to change the system of aid distribution when millions of people are threatened with starvation. Why be so much suspicious of the Ethiopian government, especially since a delegation of the European Parliament which visited Ethiopia in July 1981 and comprised representatives from all parliamentary groups, unanimously declared that

'Ehtiopia has used with competence and efficiency the food aid and the contributions of the EEC to its projects for economic development and social progress. These projects are an encouragement to the European countries to further develop their relations with Ethiopia.

While we acknowledge the important role played by non-governmental organizations, the question is whether they have the structures needed on the spot for the fair distribution of all the emergency aid. If it is required that emergency aid be channelled only through non-governmental organizations, does it not imply a reduction of the quantity that can be distributed? Consequently, in our opinion, apart from the intolerable nature of any pressure concerning food aid, there is no reason to change the present aid system.

To conclude, I would like to launch an appeal to Mr Pisani and to emphasize the need to release an amount of emergency aid proportionate to the seriousness of the natural disaster Ethiopia is currently facing.

Mr Adamou (COM). — (GR) Mr President, it is to be welcomed that the three motions for resolutions acknowledge the need for immediate aid, for the Ethiopian people is indeed suffering famine. Of course, the first two motions lay down certain conditions for granting this aid, which is why we disagree with them. The third motion, tabled by the Communist and Allies Group, is unexceptionable, and it also draws attention to the acknowledgement by the delegation from the European Parliament that the aid given earlier had in fact been used in accordance with all the guidelines.

I think we shall have to stick to this statement and not attach any conditions to the aid. Ethiopia suffers from poverty and famine not only because of adverse weather conditions, but because it lived under colonial rule for many years and remained very backward. We hope that now, with the dawn of the new order, better conditions for its people will develop.

Mr Israël (DEP). — (FR) Mr President, ladies and gentlemen, two calamities jointly exist in Ethiopia, namely: famine and civil war. In the face of this situation the European Community can have a clear conscience. As a matter of fact, it has been lavishing emergency aid on that country. Unfortunately, there is very saddening news on how this aid reaches the populations that are suffering from the two calamities of famine and civil war. According to some sources, this aid which, normally, should be distributed to the population is used by the army. Others go as far as stating that Soviet cargo planes carry this aid to the Soviet Union in exchange for arms. Mr President, all this hardly pleases us and it can be understood why our Parliament insisted that the Commission and, in particular, Commissioner Pisani, should submit to us a report on how the emergency food aid reaches the needy.

Ladies and gentlemen, we are facing a serious problem of principle. In the final analysis, in our conception of emergency food aid we are not able to know how this aid reaches its destination. We are not able to know this because we think that, once we adopt a budget and decide that aid should be granted, we should have a clear conscience and feel that we have done our duty.

It is necessary to go much further and entrust to our non-governmental organizations on the spot the responsibility of following up how this aid is used. We should not only have a good conscience that we are charitable but also that we are efficient. This is what we are respectfully asking the Commission to report on.

Mr Pisani, Member of the Commission. — (FR) Mr President, I am sure that Parliament will forgive me for taking up so much of their time, but the debate which is coming to an end today — though debates like this one never end — is one that deserves more time.

I would first like to point out that there are three points which must be distinguished from one another. There is the fundamental definition of food aid. There is the political use that people want to or can make of that aid. Lastly there is the verification that must be done — and is being done — with regard to the conditions in which the aid is dispatched and then distributed. In view of the background to this debate it is obvious that my statement will deal mainly with this third point, although I shall have to wind up by speaking once more on the spirit in which the Community, Parliament, the Council and the Commission have always seen food aid.

A few weeks ago, before the Political Affairs Committee of the European Parliament, I was the target of pressing, indiscrete and sometimes forthright questions on food aid to Ethiopia. I therefore undertook to

Pisani

ensure that an additional inquiry was carried out and to submit the findings to the Parliament. Here is the report, of which I have only a single copy because I received it only yesterday evening. It has been sent to me from Addis-Ababa, and in a moment I shall give you the gist of its contents, on the understanding that it will be submitted to the appropriate committee of Parliament so that everyone can be as informed as I am of the conditions in which food aid is managed in Ethiopia.

I would first of all like to say that food aid to Ethiopia as everywhere, has been subject to verifications, and that the World Food Programme which manages part of our aid has already written a report indicating that Ethiopia was managing its aid satisfactorily. Furthermore, in August 1982 an independent body, the African Bureau, pointed out — after an investigation carried out on the spot — that to the best of its knowledge the distribution of food aid was satisfactory in Ethiopia. I will also add that, more on the basis of impressions than on detailed enquiries, a delegation of the European Parliament committee which went to Ethiopia stated on its return that 'Ethiopia has competently and efficiently used the food aid and the EEC contribution to its projects for economic development and social progress'. For the European countries these achievements are an encouragement to further develop their relations with Ethiopia.

Nevertheless, in spite of all that, some allegations were broadcast or published in newspapers. Firstly, there were allegations of widespread diversion, which seemed to imply that, ships loaded with European food aid were being emptied into ships alongside heading for Russia. No proof in any form whatsoever has ever been given to support such allegations. I request those who think they have proof not to quote such proof just like that in the middle of a debate, but rather to substantiate them, because matters are so serious that no one has the right to say just anything.

(Applause)

The Canadian ambassador in Addis-Ababa said that this allegation was unfounded. At a meeting of ambassadors of Member States which was convened at the request of the Commission's delegate in Addis-Ababa the ambassadors, in reply to this question that was put to them, said that to their knowledge nothing of the sort had taken place and was not likely to.

Before anyone can say that the allegations are well-founded, I request that I be allowed to read the report and to submit that report with all the supporting documents. We should not let ourselves be carried away by political emotions because what is at stake here, is not so much. . .

Mr President, it would appear that a Member is putting a question to me. . .

President. — Mr Pisani, it is not in fact normal practice to allow interruptions for questions.

Mr Israël (DEP). — *(FR)* Mr President, I would like to ask Mr Pisani a simple question, if he would allow me to.

Do not infer any animosity from my question. I am simply surprised that you are telling us of a report that you are preparing to submit although, apparently, we had to insist a great deal before you agreed to do so. In our view, your first answer was negative.

Mr Pisani, Member of the Commission. — *(FR)* Is it still necessary for the Commission, in an obvious attempt to create some problems where apparently there are none, to ask for another inquiry when, in fact, a system of management is subject to the verification of the Court of Auditors, or the supervision of an administrative unit of the Commission, or when it is the subject of formal reports by the *World Food Programme*; when, at the initiative of the Commission, an investigation has been carried out on the system by a specialised bureau and the report of that bureau is positive or, lastly, when the European Parliament, through one of its delegations, says that everything seems to be normal?

Quite frankly, that was not my feeling, and it was to comply with the wish of the Political Affairs Committee that I asked for this report which I will submit to Parliament for it to pass judgment on.

After having talked of this widespread diversion, I would now like to mention another type of accusation, according to which some of our food aid does not reach those for whom it is meant. In this connection, I would like to give you a detailed analysis which will show you that everything is above board.

The routing of eighteen different deliveries of food aid — deliveries made between January 1981 and the present date — representing 77 722 tonnes of cereals, 5 700 tonnes of powdered milk and 4 000 tonnes of butter oil was, at my request, followed up by the delegation from the wharf to the distribution centre.

As concerns the verification of the conditions of final distribution to the population, the delegation based its investigation on the information gathered by representatives of international bodies and non-governmental organizations that directly follow distribution of food aid on the spot.

When food aid arrives at Samasa or Djibouti it is unloaded and stored in the port warehouses, from where it is transferred to the hinterland.

Entry formalities at the port are carried out by a semi-governmental body, the Maritime Transit Service

Pisani

Corporation. All instructions relating to unloading, waybills and store receipts are regularly made available for the verification carried out by representatives of the donor bodies. It must be pointed out that, contrary to what some newspaper articles have implied, Ethiopian ports are supervised not by the military authorities but by civilian port authorities. Port installations are therefore usually accessible to those who have valid reasons for visiting them, as is the case with representatives of donor bodies.

As soon as possible, food aid leaves the port for one of the 153 supervised storage centres of the appropriate bodies. Any consignment of our food aid which leaves the port by road must be accompanied by a consignment note as well as way bills containing all the information necessary for the identification of the cargo: the ship which transported the food, donor body, and final destination of the food in Ethiopia.

When the food reaches the storage centres the official in charge issues a receipt which is then attached to the consignment note. Supplies of food aid sent by different donors are warehoused separately. This facilitates identification. Stocks of food aid are not combined but kept separate on the basis of origin. The warehousing documents are drawn up in accordance with this procedure. This system of storage is followed even for consignments of the same origin arriving at different times. It is not only the origin of the consignment that is recorded but also the date of arrival. This highly bureaucratic system facilitates constant verification. It must also be emphasized that the largest consignments of food aid are transferred to the major warehouses of the Relief Commission.

Community aid, in particular, is stored in two warehouses in Addis-Ababa that are reserved for it alone.

The withdrawal of foodstuffs from these storage centres is subject to a complex system of authorizations issued by various civilian authorities. Any withdrawal document contains clear information on the destination of the foodstuffs taken from the centre. Lastly, every six months, verifications are made in storage centres to ascertain the amount of aid received and withdrawn. From the storage centres, foodstuffs are taken to distribution points where they are given to the population. There are 750 of these distribution points. Nevertheless, in more remote areas, the Relief Commission supplies food to the population from lorries which come on specific dates. On the basis of the withdrawal documents, it is possible for donor bodies to identify — as, in fact, they do — each delivery point to which their food aid is transferred. It is relatively easy for the delegation to follow the routing of food aid up to distribution centres. As a matter of fact, with this system it is possible to carry out numerous verifications and cross-checks. The documents — of which you will receive photocopies — held by the delegation or readily supplied by the Relief Commission, provide adequate proof that any re-export of

foodstuffs is most unlikely as a result of the verifications carried out in the ports and storage centres. In any case, any diversion of food would necessarily imply that it did not reach the storage centre in Addis-Ababa. This is impossible, considering the number of verifications, and if there was any diversion it would certainly have been discovered. All these verification measures are applied even in cases where cereals coming from donor bodies are exchanged for local cereals by the Relief Commission. Within the country there are exchange and compensation mechanisms through which one region can be supplied with foodstuffs from another region. If the region producing the local cereals is closer to the port, savings are made on transport facilities. Donor bodies can follow up the various exchange operations between the Relief Commission and the Agricultural Marketing Corporation, which is the Ethiopian body supplying local cereals.

Although it is thus possible to follow the procedure as a whole up to the point where the aid reaches the storage centres, and it is also possible for non-governmental organizations to state positively that stocks set up in villages or small towns are distributed to the population for which they are meant, it is obviously impossible to follow up the kilo-by-kilo or bag-by-bag distribution of the food aid to the population. This is not part of day-to-day administrative verification. Moreover, all non-governmental organizations — there are nineteen of them — which have been asked how the food aid from abroad was in fact used have been categorical in their answers. They are all of the opinion that the on-the-spot use of the food aid is satisfactory.

Does that mean that there has been no pilfering or losses here and there? There is no human endeavour that is totally satisfactory, and I cannot guarantee that, sporadically or occasionally, there are no diversions. But what I am saying is that the system set up is one that guarantees the good management of food aid. To support my view, I think I must inform you that the conclusions reached by the Commission's delegation were submitted to a meeting of ambassadors of Member States and of other donor countries, such as Australia and Canada, as well as to the appropriate representatives of the international food aid organizations, and that there was no dissent from this generally favourable opinion on the management of the Community's food aid to Ethiopia.

I hope I have proved — and the relevant documents will furnish further proof — that the food aid is satisfactorily managed. I would like to say a few words on the fact that the first accusations levelled against the management of the food aid concerned all food aid, irrespective of its origin. These accusations were made with regard to aid from the World Food Programme, Australia, the Community and bilateral aid. But through a process of slow — though seemingly irreversible — distortion, it happened that what remained in the newspapers was criticisms of the management of

Pisani

the Community's aid although, without doubt, it is by far the most closely supervised and the best-managed. Must I see in these criticisms, do I have reason — I think so — to infer from this a malicious intention to bring into question the Community's aid as such, as a component of food aid to poor countries and as a part of development aid? I only hope that the press — informed as it is now, and as it will further be from the documents that will be made available to it — will give to today's clarification as much room as it did to the accusations which it echoed during recent weeks.

(Applause)

What is being questioned — I am coming to an end — is the very spirit of food aid. Should we use it as a political weapon? Or should we keep to the essential and primary definition that we have given it, while only making sure that it really reaches those for whom it is meant? The greatness of the Community is to continue distributing food aid, in the face of all vicissitudes, provided that the aid reaches the people who need it. This is the principle that the Community will continue to apply so long as the prevailing food situation in Ethiopia remains bad, and even dramatic in some respects. We shall use all the means at our disposal. We shall, in particular, work through non-governmental organizations. But we shall also use other means when we deem them more suitable and we shall, without respite, continue verification because we want our aid to be used in the best way possible. Nobody in this House should count on the Commission to use food aid as a political weapon!

(Applause)

Lady Elles (ED). — I wish to put a question to the Commissioner under Rule 66(4). I appreciate his very full and detailed statement on the control of storage and port entry. Nobody doubts the efforts being made by the Commission on that score. I want to make this clear.

The question I would like to ask is whether it is possible from storage points in Addis Ababa to reach by transport and controlled means the 1.2 million people who are starving in Tigre and in areas not under the control of the Ethiopian Government, but under the control of the liberation forces. I would like an assurance from the Commissioner on that point.

Mr Pisani, Member of the Commission (L). — *(FR)* In fact, Lady Elles, besides the aid that is officially given to the Ethiopian government and which through government bodies, non-governmental organizations or international organizations is sent to areas under government control — but sometimes to other areas as well — there are other types of aid which reach the areas you are referring to through other frontiers. Here again our only concern is the interest of people

suffering from hunger. With the help of non-governmental organizations we go to areas which are not under the control of the Ethiopian government.

(Applause)

Mr Clinton (PPE). — Mr President, I just wish to ask whether it was reasonable that the Commission should have unlimited time to speak when the proposers of important motions only get 3 minutes to speak.

I bear no ill-will to the Commission, but I think it is totally unreasonable, because a lot of our motions will not be reached and we shall have no possibility of introducing them. I think it is appalling.

Mr d'Ormesson (PPE). — *(FR)* Mr President, there is something I want to say concerning the Rules of Procedure. Parliament's television recording van recorded the debates on Seveso and Ethiopia — during which there was strangely no mention of Eritrea — but it did not record the debate on emergency aid. This means that the people in the Community will not be informed of our work here this morning. Mr President, I request you to open an inquiry into this neglect of our work by television.

(Applause)

President. — The matter will be looked into.

Mr Van Minnen (S). — *(NL)* Mr President, you clearly said that the matter will be looked into. But I think it is scandalous to interfere in the freedom of choice of television directors. The matter should not be looked into.

President. — Naturally it can be looked into only insofar as it comes within the competence of Parliament.

Mr Pisani, Member of the Commission. — *(FR)* At the risk of extending the Commission's speaking time I should like to reply to Mr Clinton. The Commission has an administrative role and it was asked to present the results of an inquiry. How on earth do you expect the Commission to be able to present its conclusions and the political conclusions which it was asked to make in less than thirty minutes?

(Applause)

Mrs Veil (L). — *(FR)* On a point of order, Mr President, regarding the television coverage, by way of reply to Mr Van Minnen. In every parliament where there is television all the debates are televised from a

Veil

set angle. In the case of a private company it naturally chooses its own subjects. But if we are talking about Parliament's own television, everything should be televised in the same way.

(Applause)

President. — Thank you for your comments. As I said to Mr Van Minnen just now, the matter will be looked into.

The debate is closed.

Vote¹

Mr Provan (ED). — Mr President, following what Mr Clinton said, can you give us any guidance on the last two debates that we were meant to have under urgent procedure this morning? It is now a few minutes to one o'clock and you are going on to 1.15 p.m. Are we likely to have more than one debate or not?

President. — All the people who have raised points of order today have prevented us from dealing with agriculture. I should like to make that clear.

Madrid conference of CSCE

President. — The next item is the joint debate on three motions for resolution:

- motion for a resolution (Doc. 1-137/83), tabled by Lord Bethell on behalf of the European Democratic Group, on the Conference on Security and Cooperation in Europe in Madrid;
- motion for a resolution (Doc. 1-147/83), tabled by Mr Habsburg on behalf of the Group of the European People's Party (CD Group), on the Madrid review conference of CSCE;
- motion for a resolution (Doc. 1-138/83), tabled by Mr Donnez on behalf of the Liberal and Democratic Group, on the arrest of the French doctor, Mr Augoyard, in Afghanistan.

Lord Bethell (ED). — Mr President, this debate arises from a recent visit to the Review Conference of CSCE in Madrid by the Bureau of your Working-Group on Human Rights: Mr Israël, Mrs van den Heuvel and myself.

I would like, first of all, to say a word of thanks to the German presidency and especially to Ambassador Kastel for the warm welcome and the facilities that they accorded us during our two days in Madrid. If I may say so, the cooperation of the ten Ambassadors in Madrid is an example to the ten Foreign Ministers. It works extremely well, and we were delighted with the spirit of European unity we detected among our Community's representatives there.

We found that there were some reasons for optimism about the Helsinki process, but we were concerned that there were blockages and worries on Basket III and over the principles of the Helsinki Agreements. We were happy that there was agreement, or some movement towards agreement, on the basis of the French Government's proposals on disarmament, trade, scientific exchange, the environment and energy exchange; but I believe that we concluded — all three of us — and I hope that you and the House will conclude when this matter is put to the vote, that Basket II alone provides no basis for the resumption of *détente* or indeed for the continuation of the Helsinki process. One has to look at this agreement in its entirety. It has to be a balanced agreement, otherwise it has no future.

It was appalling that four years ago, at a time when the matter was being reviewed in Belgrade, a number of Soviet citizens who were themselves monitoring the agreement were arrested, others were forced out of the country. Mr Shcharansky, Mr Orlov and Mrs Lander were all subjected to Soviet police harassment, and I do not believe that it would be possible to have much continuation of Helsinki so long as these people continue to be persecuted by the Soviet police.

Likewise, we have found that the provisions for the reunification of families have deteriorated since Helsinki was last reviewed. In the last year just over 2 000 Soviet Jews were permitted to emigrate, whereas the figure in 1979 was over 50 000 and the figure for January 1983 was a mere 81. The same problems affect Soviet citizens of German nationality who wish to join their families in the Federal Republic.

At a time when we are meant to be thinking of an improvement in relations between East and West, we have a resumption of the jamming of radio broadcasts to Poland and the Soviet Union coming from many of our countries. Journalists in the Eastern bloc are being discriminated against while they practice their legitimate trade. Automatic telephone links between Moscow and Western Europe have been suspended.

I hope that the House will decide that such deteriorations in East-West relations provide a very severe threat to the continuation of the process. It will not be possible to complete this process although, in principle, it should be completed before the end of this month. That is why this matter is urgent. It will hardly be possible to end it satisfactorily unless these problems are resolved. When I go to Moscow next week, I

¹ See Annex.

Lord Bethell

shall certainly be raising some of these points with the people I meet there, and I hope to report more fully about the human rights provisions when we assemble in Strasbourg next May.

Western public opinion takes very seriously the violations of human rights in Eastern Europe, and I do not believe that the Foreign Ministers, even if they wished, would be able to conclude the sort of agreement that the East wishes simply on the basis of what has been agreed so far. Helsinki must continue in its entirety — including Basket III, including human rights — if it is to have a future. Otherwise let it die.

(Applause)

Mr Habsburg (EPP). — *(DE)* Mr President, since the signing of the Final Act of the Helsinki Conference in 1975, and not least in the course of the Belgrade and Madrid reviews, it has become more than clear that the interests of the democratic governments and those of the totalitarian dictatorships lie in completely different directions. For us, the three baskets of the Final Act have equal weight, although we regard Basket 3 as the greatest achievement. This is the one in which we are most interested, believing as we do that man, being made in God's image, takes precedence over impersonal concepts such as State and society. In the Communist hegemonies, on the other hand, man is no more than an object: the State can abuse or kill him at will, and the State controls his every movement. The Marxist dictatorships are mainly interested in Basket 2, since they see here a chance to use the market economy to mask the failings of their own economic systems.

In the circumstances, therefore, we must note with concern that after lengthy negotiations in Madrid there has been no real progress except on Basket 2; there has certainly been no commensurate progress on the question of human rights. In fact we must acknowledge that there has been all too little real progress since 1975, as shown by the worsening of the situation on the border between the two Germanies, the new barbed-wire barriers and mine-fields, the currency exchange swindle perpetrated by the so called German Democratic Republic, the events in Poland, the barbaric measures taken by the Ceausescu government in Romania against Germans wanting to leave the country. An agreement in Madrid could have helped here, but the truth is that none has yet been reached. As representatives of the people of Europe we must state clearly that we are only interested in a balanced agreement; on no account are we prepared to make unilateral concessions. Progress on Basket 2, all well and good, but this must be matched by similar progress on Basket 3. Europe cannot sign a document which gives one-sided advantages to the totalitarian regimes and dashes the hopes of ordinary people. At the same time, we cannot tolerate these stalling tactics forever. We must press vigorously for a balanced agreement, fail-

ing which we should freely acknowledge that the attempt has failed, while making it clear which side is to blame.

Mr Donnez (L). — *(FR)* Mr President, many of you know the name of Dr Philippe Augoyard, age 29, a former hospital doctor in Rouen, who was arrested by the Afghan authorities for 'illegal entry and collaboration with the rebels' and was sentenced to an eight-year prison term following a trial oddly reminiscent of the worst moments of the Stalinist era.

(Applause)

Dr Augoyard belonged to an association called Aide Medicale Internationale, which, in common with other associations such as Médecins Sans Frontières and Médecins du Monde, attempts to fill the gaps in the cover provided by the International Red Cross. Since the latter is not allowed to intervene unless a war in the true legal sense of the term has been declared, there is clearly a gap to be filled and a need for men of goodwill to offer their services. Dr Augoyard was one of those men. Today, France has 700 volunteer doctors ready to be sent wherever they may be needed: to Central America, El Salvador or Nicaragua, or to Africa — Eritrea or Chad for example —, to Asia, South-East Asia or Afghanistan. Dr Augoyard was one of the 700 French doctors prepared to give their all to help those who are suffering and dying. Dr Augoyard did not go to Afghanistan to indulge in politics, but to succour the helpless victims of this war, the women, the children and the elderly. I believe it is our duty today to show our solidarity and support for organizations like Medecins sans Frontières and Médecins du Monde, to let them know how much we appreciate their good work and how much we deplore trials of the sort to which Dr Augoyard has been subjected. This House claims to uphold the rights of man, to take a keen interest in all human problems: let it show its true stature today by supporting the motion which I have tabled.

(Applause)

Mr Segre (COM). — *(IT)* Mr President, we Italian Communists think it necessary and important for the European Parliament to make a clear pronouncement at a time when the Madrid Review Conference seems to be about to enter the final straight.

It should make a clear statement and express a clear and conscious hope, particularly in such a difficult international situation. The Helsinki structure, if it is important at a time of détente, is even more so at times when East-West relations are characterized by serious tensions.

What is the Final Act in terms of international law and political assessment? It is not a treaty in the normal

Segre

sense of the term, but a declaration of principles and intentions — a code of behaviour, an expression of a trend — something which is at once a point of arrival and a point of departure. Hence, too, the decision to hold regular review conferences — first in Belgrade, now in Madrid — precisely because the Final Act presupposes a gradual movement towards its full and harmonious implementation.

I mention this precisely in order to stress that the negotiating philosophy rightly adopted by the Ten is to encourage a positive and dynamic process — the gradual achievement of progress in all three 'baskets' — and therefore conceptually excludes a strategy of all or nothing — of which, however, we heard some heavy echoes just now.

Now, in the delicate international situation in which we find ourselves, when the need for a reversal of the current trend towards tension and — to a large extent — breakdown of communication is becoming ever stronger, no one can fail to see the symbolic value of the way in which the Madrid conference will end. Although it is difficult to achieve an optimum result, if it is at least positive it will be a further sign that it is high time to change direction, and it will therefore be a victory for reason. If the results were unfortunately to be negative, the clouds on the horizon would become even darker.

That is why, Mr President, we are voting for this motion for a resolution, interpreting it as a message from our Parliament, in the hope that, transcending dissatisfaction with this or that aspect of the negotiations and the conclusions, the Madrid conference may end on a positive note.

Mr Israël (DEP). — (FR) Mr President, ladies and gentlemen, I should like to begin by saying that the three of us who went to Madrid — Lord Bethell, Mrs van den Heuvel and myself, representing the main political tendencies in this House, all found it an extremely interesting experience.

For the benefit of the German Presidency I should first of all stress that our meeting with the ten Ambassadors of the Community was not simply a matter of protocol but was a working meeting which lasted two hours, in the course of which a genuine feeling of camaraderie and cooperation developed among us on the subject of the observance of human rights. We also met the United States Ambassador. Normally, as you know, America tends to be critical of Europe. Yet this man said to us, in so many words, 'Not at all. The European Community gives us better support than we could ever dream of on human rights'. That was very pleasant to hear. We also met people from the Eastern Bloc. We met Poles, Yugoslavs and East Germans, but if I had to summarise the contents of any one conversation it would be that which we had with Mr Kondrachev, head of the Soviet delegation. He stated, 'We

will improve the human rights situation in the Soviet Union as soon as the international situation has improved', to which I replied, 'Mr Ambassador, how can you make the welfare of the people of the Soviet Union dependent on an improvement in the international situation? You yourself are responsible for the welfare of the Soviet people; I cannot see why détente should be a factor in improving or aggravating their lot...'

(The President urged the speaker to conclude)

I am going to finish, Mr President, but I beg you to consider the terrific stress you are causing by waving that hammer about all the time.

I would like to conclude by saying that the Madrid Conference is of major importance, representing as it does the only forum in which we can discuss with Eastern Europe a particularly vital subject: the observance of human rights on both sides of the ignoble frontier which separates us.

Mr Pisani, Member of the Commission. — (FR) Mr President, as far as the Madrid Conference is concerned we agree with the analysis which has been presented and consider that nothing less than a balanced agreement is acceptable, since nothing else would be viable. Let me emphasize, in passing, that the Commission is only there to assist the Presidency and that it therefore cooperates at that level with the official delegation of the European Economic Community. It will continue to do so in the same capacity.

A word now about Dr Augoyard. I saw his confession the other night. It was visibly obvious that, even as he was accusing himself, he did not agree with what he was saying. His behaviour testified that he was there to care for injured men, women and children. To me, this false confession was a blow to everything I believe in most dearly. This House, this institution to which I belong, must therefore continue to exert political pressure to ensure that such situations do not arise again, to ensure that no man is coerced into denouncing his noble nature as a crime.

(Applause)

President. — The debate is closed.

Vote¹

Eurocontrol

President. — No one has asked to speak on the motion for a resolution (Doc. 1-112/83) on Eurocon-

¹ cf. Annex.

President

trol and the author of the motion does not wish to give an explanatory statement. We can thus vote on the motion.

Vote¹

President. — We have thus come to the end of the topical and urgent debate.

(The sitting was suspended at 1.20 p.m. and resumed at 3.20 p.m.)

IN THE CHAIR: MR LALOR

Vice-President

Mrs Salisch (S). — *(DE)* Mr President, ladies and gentlemen, I should like to raise the question of the agenda for the special part-session on employment to be held in Brussels.

If my information is correct the enlarged Bureau yesterday decided that the reports for this meeting should be presented in a different order to that originally scheduled, with the Papaefstratiou report coming first, followed by the Salisch report, the Leonardo report and finally the Ceravolo report.

I am completely at a loss to know why a report which, like the two others, was produced by the Committee on Social Affairs and which will form one of the main planks for debate in this special part-session, should suddenly be separated from its stable-mates and tacked on to the end of the first day.

If this is the case, I consider that Parliament should discuss the amended agenda and, most importantly, should be kept properly informed. Mr President, would you please therefore inform this House whether the report that the enlarged Bureau has changed the original agenda is correct? If so, could we please fix an early date for Parliament to discuss this question?

I am aware, of course, that Parliament normally deals with such questions at the start of the sitting. However, given the importance of this particular part-session I do not think it would be a good idea for Parliament to be wasting valuable debating time discussing the revised order of business resulting from the enlarged Bureau's decision.

Could you please therefore confirm whether what I have said is correct. If it is, I would ask that Parlia-

ment be given an early opportunity to decide on any amendment to the agenda.

President. — Mrs Salisch, I am sorry that you raised this matter on a point of order, since you went on quite a while asking for information. I would, however, say in this regard that the practice has developed whereby it is the enlarged Bureau that discusses to a great extent and makes preparations for part-sessions. Certainly, they will have been discussing the agenda for the special part-session in Brussels; but I would draw your attention to Rule 56, which says:

At the beginning of each part-session, Parliament shall decide on the draft agenda submitted to it by the President.

That in fact is what will happen on the occasion of the special part-session in Brussels.

I call Mrs Wieczorek-Zeul on a point of order.

Mrs Wieczorek-Zeul (S). — *(DE)* Mr President, Mrs Salisch was not calling the procedure into question, she was merely asking whether Parliament could be informed about the new agenda. I think it would be only proper to provide this information at the earliest opportunity, tomorrow morning for example. I appreciate that this is not the usual procedure, but as Mrs Salisch has just remarked, it would save an hour and a half of next week's sitting being wasted on debating the agenda. I agree with Mrs Salisch and should therefore like to request that Parliament be informed of the agenda tomorrow morning. Meanwhile the Bureau can decide whether it is not simply common sense for Parliament to at least be allowed to debate this question tomorrow.

President. — I think I can confirm to the honourable Member that there will be no problem about that. The proposed agenda will be outlined tomorrow morning here in the House.

Mrs Wieczorek-Zeul (S). — At what time?

President. — At the beginning of the sitting.

We shall not have the vote tomorrow; that will be taken at the beginning of the special part-session, but tomorrow morning I will endeavour to arrange with the President to have the announcement about the agenda made.

Mr Collins (S). — Mr President, owing to some confusion arising from the different texts that have appeared in English and German on Item 52 of today's agenda, it is not at all clear which set of amendments

¹ cf. Annex.

Collins

we shall actually be voting on — those from the Committee on Environment, Public Health and Consumer Protection or from the Legal Affairs Committee. Because of that, I beg leave to withdraw this item from the agenda today and bring it back when it is clearer to everyone concerned.

President. — This agenda was agreed by Parliament and I can only accept the withdrawal with the House's agreement. Are there any objections to the withdrawal of Item 52 from today's agenda as proposed by Mr Collins?

Mrs Schleicher (EPP). — (DE) I would like an explanation. Simply wanting to put something off until a later date is not an adequate explanation. Why should the item be withdrawn, and until when?

Mr Collins (S). — I thought the first sentence I uttered made the reason clear.

If one reads the German text available to the Members and compares it with the English one, one finds that they are different, because the German text starts with a corrigendum making it clear which amendments are to be voted on, while the English one does not make that clear and, moreover, the sets of amendments that appear are slightly different. In order that the House will not be confused more than it needs to be in this particular matter, I beg leave to withdraw the item from the agenda so that we can bring it back at a more convenient time when we are all aware which amendments are which. It is a simple matter of clarification.

President. — Mr Collins is anxious that the House be fully alerted to what is going on, so I now rule that it will be up to Mr Collins to move the withdrawal of this item from the agenda when Item 52 is reached. This enables the Members in the House to know that this matter is coming up. If there is an objection at that stage to withdrawing it for the reasons stated by Mr Collins, it will be for the House to decide.

4. Health policy

President. — The next item is the oral question, with debate, by Mr Collins, on behalf of the Committee on the Environment, Public Health and Consumer Protection, to the Council (Doc. 1-1278/82):

Subject: Public health policy

It is now 4 years (17 November 1978) since the Council of Health Ministers has met. At that meeting the Council requested the Commission to make suggestions for Community action in various spheres and to give such action priority. The

European Parliament has several times urgently requested the Council of Health Ministers to meet (March 1980, October 1981) and has, in the meantime, adopted resolutions on such problems as carcinogenic substances, drug abuse, alcoholism, smoking, a European Health Card, etc.

1. Could the Council dispel the rumours indicating that no meeting of Health Ministers will take place in the foreseeable future?

2. Would the Council indicate what are the priorities of the German Presidency in the field of public health?

3. Would the Council not agree that the time is now ripe to develop and to launch a European health policy in accordance with the wishes expressed by the European Parliament?

4. Will the Council undertake to allow for an increase in the number of staff working on health and safety in the Commission in order to develop and implement this policy?

The following oral questions to the Commission are included in the debate:

— by Mrs Squarcialupi, Mr Bonaccini, Mr Ceravolo, Mrs Cinciari Rodano, Mr Papapietro and Mr Veronesi (Doc. 1-30/83):

Subject: Industrial accidents and occupational diseases

There has been no decrease in the number of industrial accidents and occupational diseases in some countries of the European Community despite the constant increase in unemployment and the reduction of working hours.

Because of the economic crisis, many workers prefer not to report minor accidents that occur while they are moonlighting or doing a second job. In many cases, moreover, they prefer to settle the matter privately with their employers.

In view of this, will the Commission state:

1. What is the general trend of industrial accidents and occupational diseases, broken down by sector and size of undertaking?

2. What is their relationship with the present level of unemployment in the countries of the European Community?

3. What results have been achieved by the action programme on health and safety at work?¹

4. When does the Commission plan to report to Parliament on this programme as specifically requested in Parliament's resolution?²

¹ OJ No C 9, 11. 1. 1978, p. 2.

² Res. 97/78 of 13. 6. 1978, OJ No C 163, 10. 7. 1978.

President

5. How widespread are pathological conditions caused by job insecurity and unemployment, including insomnia, anxiety, digestive problems, ulcers, congestion, diarrhoea and nausea and cardio-vascular problems that can affect the unemployed person's family, including his children, and that may even lead to suicide?

— by Mrs Clwyd, on behalf of the Socialist Group (Doc. 1-35/83):

Subject: The Commission's failure to act on Parliament's resolution on social and economic integration of the disabled

On 11 March, 1981, the European Parliament adopted a resolution requesting the Commission to act in favour of the disabled with very precise propositions. As yet, the Commission has done very little on this matter.

1. Can the Commission tell the Parliament what has been done on every point of its resolution?
2. Can the Commission tell the Parliament what will be done on each point and present a timetable?

Mr Collins (S). — In introducing this oral question, I would like to reiterate some of the points made in it, because it is disturbing that the last Council of Health Ministers was held as long ago as November 1978 — during, in fact, a German presidency. That was well over four years ago and, just to emphasize the point, it did not even fall within the lifetime of the present Parliament. There has been no meeting of the Council of Health Ministers during the lifetime of this Parliament, in spite of the fact that this Parliament has debated a number of items which fall within this field. I find this less than satisfactory; my committee finds it less than satisfactory; indeed, many Members find it downright unacceptable.

We are now being told that no meeting is even likely to take place in the foreseeable future, and that is not just unacceptable, it is downright disgraceful. As indeed, I may say, is the holding of a subsidiary meeting of staff and Members at the back of this Chamber at the moment . . .

President. — Could any meetings that are being held — if there are any — be held outside the Chamber, please?

Mr Collins (S). — The last meeting of the Health Council did not break up in disagreement; it reached substantial agreement on broad guidelines of policy for the Commission to follow. That set — or ought to have set — a very good precedent, and the Commis-

sion ought to have been able to go away and provide a framework for a coherent health policy for the Community. That does not seem to be happening, and we do not, as I say, have any indication that a Council meeting is going to be held during the present presidency. Indeed, we have no indication that there is likely to be one even this year during the Greek presidency.

So my question to the Council is: what are its real plans? How does it see the future of health policy in the Community? Is it prepared to build on that 1978 meeting? Is it, indeed, prepared to provide adequate staff for the Commission so that any policy that we do develop can be carried out properly and logically? That is the question, and I look forward to hearing the Minister's reply.

Mr Chory, President-in-Office of the Council. — (DE) Mr President, ladies and gentlemen, since the last Council meeting and the meeting of 17 November 1978 of Community Health Ministers, the Council has not received any communications or proposals from the Commission which would justify the holding of another Council meeting on health matters in the coming six months, quite apart from the work undertaken in other Council meetings — agriculture, internal market, social policy, research questions etc. — and taking into consideration the activities of the Council of Europe and the WHO.

The Council has taken note of the resolutions passed by the European Parliament and mentioned by the honourable Member and would like to emphasize that it continues to be convinced of the great importance of questions of public health in the Community. It is always willing to examine any initiatives or proposals from the Commission in this area.

Mr Collins (S). — I am very interested indeed to hear the Council's reply. The President-in-Office tells us that there has been no communication from the Commission at all to justify the holding of a Council meeting. He refers us to the activities of the Council of Europe and of the World Health Organization, and he tells us that the European Parliament's debates have been valuable, and perhaps interesting, and they have been noted.

I find that a fascinating reply because, in the first place, the agreement of 1978 was to send the Commission off to engage in certain studies, to collate information, to collect research information, and to try to mould this into a suitable framework for a Community policy. But, as long as Council remains the executive authority of the Community, it must be able to say what these priorities are. I would have thought that a Council meeting was necessary in order to assess the progress made by the Commission at this stage.

Collins

In addition, the Commission has brought forward proposals — admittedly in slightly different fields — on the exposure of workers to various hazards, such as lead, asbestos and so on, and we are developing a kind of health policy on an *ad hoc* basis. But it is not called a health policy, it just happens to be related to health. I do not find that terribly satisfactory, and I would have thought that the Council, if it gave some thought to this, would not find it very satisfactory either. We need to bring things together, to focus the effort a little more.

We are referred to the Council of Europe and the World Health Organization. The Council of Europe I find an entirely laudable organization; it is marvellous that you get nation-states coming together so that they can discuss areas of common interest; but the point about the Council of Europe, when you compare it with the European Community, is quite simply that it lacks legislative teeth. If the European Community has a benefit — and there are people (not many of them in the Chamber at the moment, admittedly) who do not think that it has very much of a benefit — nonetheless, if it has a benefit to offer, it is that it provides a framework where people can come together and discuss matters of common interest, they can reach agreements, and there is a legislative framework so that these agreements can be enforced. That seems to me to make the European Community infinitely more valuable in this field than the Council of Europe will ever be. The same applies, frankly, however laudable I think the World Health Organization is, to the work coming from there. So I would respectfully suggest that the Council needs not only to consider the work of the Council of Europe and the World Health Organization, but also to try to bind it all together in a policy for the Community itself.

Of course, I am fascinated to learn that the European Parliament's debates are 'interesting and perhaps valuable' — or maybe it was 'valuable and perhaps interesting'. I am not very sure whether I agree entirely with that all of the time, but I am confident that in this particular field we have discussed some very important matters. We have discussed carcinogenic substances; we have discussed drug abuse; we have discussed alcohol abuse; we have discussed a European health-card, and here again I would have thought there was sufficient material for the Council to come together with the Commission and try to work out some kind of policy for the future.

The Community is, among other things, concerned with the freedom of movement of workers, a raised standard of living and raised expectations of the citizens of Europe, and I would have thought that one way to achieve this was to look very clearly at health policy; and yet somehow or other this has slipped out of sight, and I regret that very much indeed. This is a fundamental area, and so the question that I raise, in the first place on behalf of the committee, is one that has to be taken away by Council from here and it has

to be communicated very forcefully to the other Member States. It also has to be taken away from here by the Commission, because, while we are convinced, of course, that the Commission's heart is in the right place, we are not always very sure that its heart is in a very healthy condition.

And so, I would like to see the Commission take this away and remember what the Council has said — namely, that they have not brought forward any proposals to justify the holding of a meeting. In that case I would have thought that their first priority now is to bring forward such proposals so that we in the Parliament can debate them and so that Council can come together and produce this policy, which will do a great deal to make the Community mean more — even to those people who have not thought it worthwhile to turn up in spite of their habitual criticisms of the Community.

(Applause)

Mr Dalsager, Member of the Commission. — *(DA)* Mr President, obviously I can accept, on behalf of the Commission, the fact that Mr Collins should have addressed this question to the Commission and I am pleased that he is confident that the Commission has its heart in the right place even if he is somewhat concerned about the condition of this heart, although I hope that we can convince Mr Collins that the Commission's heart is also in a condition to enable it to meet Parliament's wishes.

The Commission has repeatedly expressed its hope that the Council — in this case the Council of Health Ministers — would meet to discuss a number of topical health questions and with this end in view, preparatory work has been carried out over the past four years on occasions when a meeting of this kind was proposed. However, since no unequivocal promises that a meeting would in fact be held have been forthcoming, this work has not resulted in concrete proposals to the Council.

Clearly, as far as this matter is concerned, we are in a situation whereby we cannot move either forwards or backwards and, with a view to overcoming this apparent deadlock, the Commission departments are currently drawing up proposals to be submitted to the Health Ministers. However, we realize that the Treaty of Rome does not provide any particular legal basis for a joint health policy. Nevertheless, the Health Ministers are not and should not be completely disregarded — and this is also the Commission's view. I hope that I have given Mr Collins and others what I regard as the right impression, i.e. that the Commission is prepared to continue its work with a view to bringing about a meeting of this kind and that it will draw up the necessary proposals for a meeting between the Health Ministers.

Dalsager

Since we are dealing with two other oral questions jointly with the one tabled by Mr Collins, I should like to answer these as well as far as I can.

Firstly, there is Oral Question No 123/83 by Mrs Clwyd.

In October 1981, the Commission submitted a communication to the Council containing proposals for a new Community programme aimed at promoting the social integration of handicapped persons. This programme was adopted by the Council and the representatives of the governments of the Member States on 21 December 1981 and, also in December, the Commission decided to set up its own office for the handicapped. For this reason, the Commission cannot understand or accept the allegation by the honourable Member to the effect that the Commission has done very little on this question. The Commission has made it clear, both during Parliament's debate in February 1982 and in its answer to a number of questions by Members of Parliament concerning the programme as a whole or certain aspects of it, that, when drawing up the abovementioned communication, it took considerable account of the points contained in Parliament's resolution of March 1981 and will continue to do so during the implementation of the programme.

In addition to the trial measures in connection with projects in this field, which cover all the various aspects of independence for handicapped persons, the Commission is currently preparing concrete initiatives involving all the most important aspects of social integration, such as employment, environmental questions, social security and preventive measures etc., which take more account of the various points put forward by Parliament. There is also the fact that the Commission's ability to keep to its own schedule for the implementation of the programme depends on the availability of the necessary funds and it has emerged that, in spite of the unexpected cutbacks in the 1983 appropriations under Article 620 — that is to say, Chapter 62 of the Social Fund, i.e. preparatory studies — which Parliament adopted on 1 December, all the areas to be covered by local projects were designated in good time. However, I should like to point out that this was virtually a miracle and that the Member States find it deplorable that they should be obliged to change their plans at such short notice.

In addition to the political initiatives I mentioned previously, the programme concerns the establishment of a European data base on matters concerning the handicapped, the programme for pilot projects in the field of housing, the network of rehabilitation centres, aid to non-governmental organizations carrying out activities at European level and projects to promote the social integration of young handicapped persons by means of visits, exchanges and international contacts. Work is going ahead in all these areas, even if work is obviously now proceeding little more slowly now as a result of the disappointing budgetary cutbacks under

items 6441 and 6470. Unless more money is made available in 1984, the success of this entire project might be jeopardized.

Mr President, I should now like to turn to the final point under this item on the agenda, i.e. question by Mrs Squarcialupi and others.

The Council has received two reports on the first action programme on safety and health at work, copies of which have been sent to this Parliament. A third and final report is currently in preparation. As regard accident statistics for the Community, the data available to the Commission is insufficient either to confirm or refute the allegations contained in the question. As is so often the case, the available statistics are unfortunately incomplete, nor is it possible to make comparisons between the various Member States, and for this reason it has only recently become possible to start collecting data for Community statistics on industrial accidents for every sector, and considerable progress has been made in three sectors, building agriculture and sea fishing.

The only Community statistics on industrial accidents currently available relate to the coal and steel industries and show that accidents have been steadily dropping at a rate of about 5% per year. With a view to improving the statistics, a study was carried out into the causes of serious accidents in these two sectors within the Community. The results clearly show the usefulness of studies of this kind with an eye to introducing preventive measures, and the experience gained is being put to use in connection with studies to be carried out covering the entire Community.

With a view to improving statistics on sickness and mortality at places of work, two studies were carried out, one of which was an epidemiological study into lung diseases among agricultural workers and another into the causes of sickness and death in the chemical industry. Both these studies are expected to provide new information on the health risks in the sectors in question and to indicate how the routine statistics might be improved.

As regard industrial illnesses, on 23 July 1962, the Commission called on the Member States to draw up a European list relating to industrial illnesses and to exchange information on the number of cases and the problems arising in connection with compensation. The national figures show that there have been some changes over the last 10 years — not as regards the total number of cases, but in the breakdown. For example, while the incidence of silicosis has dropped, there has been a substantial increase in asbestosis. Skin ailments and industrially induced deafness have also increased.

With a view to updating the list of industrial illnesses, the Commission recently called on the Member States to provide information which can serve as a basis for

Dalsager

drawing up proposals. In spite of the efforts which have been made, much still remains to be done before it will be possible to compile comparable Community statistics and the Commission has taken account of this in its proposal for a Council resolution on the second European Community action program on safety and health at the place of work, the aim of which is to continue work in this field from now until the end of 1988.

My colleague, Mr Richard, who is responsible for the problems we are discussing here today is unfortunately suffering himself from ill health this week, which is why he has not been able, much to his regret, to attend today's meeting. However, he asked me to give these answers on his behalf and I hope that Parliament finds them satisfactory.

Mrs Clwyd (S). — Mr President, I do not want to speculate further on the Commission's anatomy — whether it has a heart or not or where it keeps it — but from the answer that has just been given it quite clearly keeps its brains in its boots.

The Commissioner suggested that he was rather surprised at the questions raised in the oral question. I would like to remind him that there were 45 recommendations contained in that report. I have been through them trying to tick off action against recommendations, and I can only find that the Commission has carried out 5 of the recommendations made by this Parliament. Now that can hardly be called dynamic action on the part of the Commission.

I will remind you of what the Commissioner said two years ago, in March 1981. He said:

We should beware of fine words. Disabled people themselves are by now very accustomed to, and indeed somewhat tired of, listening to policy statements and declarations of intent which so often find only a very small reflection in terms of actual implementation and the allocation of resources.

I am suggesting to the Commission that that is precisely applicable to the Commission. The whole purpose of this oral question is to draw attention to the Commission's deplorable lack of action on behalf of disabled people.

There was one particular matter that I was very anxious that the Commission should follow up. (I should be glad if people who are talking to the Commissioner at this point would listen to the debate, because I shall ask the Commissioner to answer me in greater detail.)

First of all, the Commissioner mentioned the setting up of a bureau for action in favour of the disabled. What does this mean in practice? We heard a few weeks ago that the Commission was also to set up a bureau to look into minority languages and cultures.

In practice, that means one person in an office in Brussels. Again, hardly the kind of action that one wants on behalf of the 11 to 25 million disabled in the ten Community countries. I am not impressed by that promise.

Secondly, he talked about setting up district projects. That means in practice that two projects have been allocated to each of our Member States. I would like to know where the projects are, what criteria have been used in choosing them and what the prospects are of continuing to finance those projects at the end of their budgetary allocation. We know already what has happened to the poverty projects in this Community.

One particular problem I want the Commission to follow up is the employment situation as far as the disabled were concerned. At a time of very high unemployment in all our countries, the disabled are particularly badly hit. Amongst the disabled, unemployment is now two-and-a-half times as high as the general average in each of our countries. This high rate has often been due more to prejudice on the part of employers than to the disability itself. I asked the Commission to produce a quota system of positive discrimination on behalf of the disabled. It varies at the moment in most of our countries between 2% and 6%. In general, however ineffective, it is supported by disablement groups as a necessary minimum safeguard until a more effective system is found.

One of the best systems for earmarking jobs for the disabled is in West Germany, where 6% of places are kept for disabled workers. Parliament asked the Commission in March 1981 to draw on the experience of the Member States and to assess the different ways of improving job opportunities for the disabled. In July 1981, Commissioner Richard, again in a written answer, told me that he was carrying out further research into the quota system for the disabled. Mr President, that was two years ago. Unemployment amongst the disabled has got much worse. I am calling on the Commission to take effective action, because unless the disabled have jobs, then talk about social and economic integration will be even more far fetched than it is at present.

I feel that the answer of the Commissioner was totally unimpressive and I would ask him to consider the 45 recommendations we made then and please act on them on behalf of the disabled in this Community.

Mrs Schleicher (PPE). — (DE) Mr President, ladies and gentlemen, I would like to return to the original subject under discussion, namely the oral question tabled on behalf of the Committee on the Environment, Public Health and Consumer Protection on the subject of a Community health policy. The way in which today's discussion has developed is somewhat disappointing, because in 1981 we asked exactly the

Schleicher

same questions, and at that time the answers were much more positive; we were told that there were a number of ideas in the pipeline, that the Commission had received Council proposals to work on, and that there would be a meeting of Community health ministers in the second half of 1982 at the latest. Today, we have reached the point where we are being told, that there is no real Community competence in this area. We are well aware of that. There are at the moment no European powers in the area of health, but there are a number of problems which should in our view be tackled under the heading of health, because they are transnational in nature and taken together, of huge importance to the public. I would just like to mention general disaster precautions, which in my view and that of my Group, are not adequate at Community level to ensure that, in the event of a disaster, all the necessary requirements would be met.

My second point is the problem of drug abuse. We dealt very thoroughly with this problem in our Committee. Although we appreciate that the criminal aspect is a matter for the penal system, the effects of drug abuse, as well as of the associated problems of addiction, are transnational in nature. We believe that it is the Community's duty to develop ideas as to how to solve this problem. Another area which deserves mention is the promotion of research in the field of preventive medicine, which is of international importance, not only for the exchange of information but also in order to exhaust all possibilities. The whole field of radiation protection, which is extremely important and which must be dealt with at Community level, or the whole spectrum of training in the health-related professions can be included here also. It is not just a question of coordinating training, but of ensuring high standards in training for health-related professions, in order to keep the risks associated with these professions, as low as possible in the interests of the population; that means that there should not only be mutual exchanges, but also that training in all the Member States should be of a similarly high standard. We are aware that there are always new problems arising in this area. We are waiting for a clear answer from the Council as to whether the health ministers are going to be able to meet in the future to discuss these matters and to deal with them under the aspect of health, or whether the authority to do so lies with the other ministries. The discussions in committee have raised our hopes, but they seem to have hardly any bearing in practice.

We are of the opinion that the intentions stated here do not go far enough; what we need are actions to follow them up. In 1978 the health ministers dealt with a comprehensive catalogue of questions, and if this catalogue perhaps needs to be reviewed, because the more important issues are different today, then we would like to hear from the Council whether it is in fact interested in listing these problems. We would also like to ask the Commission to what extent the Council has called for proposals, and whether such proposals have

been submitted by the Commission, for even here there are always contradictory statements and we always end up getting unsatisfactory answers. I am convinced that these health issues are of primary, rather than secondary, importance to the Community and its 270 million citizens. This becomes apparent every time something unexpected happens and regrets are expressed that nothing was done in time.

Mr Sherlock (ED). — Mr President, I am using the time available for an omnibus contribution on the several topics on this afternoon's agenda which concern my committee, the Committee on the Environment, Public Health and Consumer Protection — especially on Items 48 and 49, which refer to policy issues covered by two of the three functions of that committee.

My group — and I must point out that this afternoon, except on Item 54, I am the sole spokesman expressing a group point of view — emphasizes that we take as our startingpoint for supporting any proposals, whether coming from the Commission or made on our own initiative, that they are demonstrably better tackled on a Community basis than by national legislation. In matters of health one has only to see the percentage of each national budget spent in this field to understand the reluctance of Member States to pass a considerable share to any supranational authority. Perhaps it is remarkable that we are doing so much. It might be considered cynical to reflect that this is also an area where legislation might win or lose a great many votes. Nevertheless I feel, with the author of the first of these questions, that more frequent meetings of the Council of Health Ministers are certainly desirable. Although the existing and projected programmes in this field seem unlikely to be widely extended, there is some comfort to be gained from recent reports on anti-smoking campaigns showing some success, though our work against drugs is bitterly disappointing and we could advocate, even now, a further strengthening of the Community's outside ring of control against this terrible trade by the merchants of death.

At this point, I would like to stress a further requirement of my group that proposed legislation should be implemented and that it should be enforceable and enforced. We have already heard some very sad stories about Seveso this morning. I am at present engaged as rapporteur on proposals for a directive designed to protect workers against the damaging effects of noise in their place of work. The accusations and cross-accusations of non-observance and non-enforcement of existing legislation in the Member States that I have heard in the past weeks have been hair-raising, and if they in any way foreshadow the future pattern of enforcement they hold out the prospect of contempt for the law if it is not brought truly home to those who are required to observe it. Highly skilled, well-trained and motivated personnel are needed to ensure proper compliance with the standards demanded. Few are, at present, available.

Sherlock

Turning to consumer affairs, I must start with the old dictum that it is primarily up to the buyer to take care. Nevertheless, modern products of advanced technology leave the average consumer — indeed the above-average parliamentarian — far behind in understanding of, for example, the safety or the wholesomeness of the good they would buy. While much argument turns on the nature, style and content of information, on the extent to which the consumer should be protected and even the extent to which the consumer is able to be protected, we all are determined on the same path.

However, political attitudes vary widely from those who think that the infant consumer should be unadulterated exclusively suckled at the State breast to those who are accused of exposing it on the windy hillsides of self-protection. The sensible way must lie somewhere between. In my submission, the best signposts down such a road are those of sober, scientific truth insofar as it can be ascertained and the accepted standards of a legal approach — systems of laws which have guided all the best developments of Western civilization. My colleague this morning, in his contribution to the Seveso debate, was the only one to point out that a legal remedy for some of the sins described already exists.

So much in the field covered by this committee is of such immense importance to our electors, and so little receives the attention it deserves in the media. My group claims to have its ear close to the elector, to the consumer. We refuse to be blown about by gusts of wind from cheap journalism and sensational pseudoscience, such as may come a little later in a contribution from one of my colleagues, on the subject of 2-45T for example. There is a wide range of agreement, as you will observe, Mr President, among all political shades in this committee, not only today but in so much of the work we have been proud to submit to this parliament for its approval. I am able to support in particular today with no objections those resolutions pertaining to Items 48 and 49. There are two small objections to Item 50, but Items 51, 54 and 55 we naturally view as in order, and we are able to add our support to Mrs Clwyd in her plea for further help for the disabled, in which my group can also claim to have led the way.

I ask you therefore to approve the reports coming from this committee this afternoon.

President. — I have received from Mr Collins and Mr Glinne, on behalf of the Socialist Group, a motion for a resolution with request for an early vote — that is, without reference to committee — to wind up the debate on this question. This motion has been printed and distributed as Document No 1-167/83. The vote on the request for an early vote will be held at the end of this debate.

Mrs Squarcialupi (COM). — *(IT)* Mr President, I think I have only one minute in which to speak, and to say how astonishing it is to see the two institutions — Commission and Council — trying to offload the responsibility onto each other. Each accuses the other of not having done enough on this or that, when the citizens' health is at stake — undoubtedly the highest good, particularly in times of crises when many things threaten their health.

It is surprising enough — and I think that we shall never cease to be surprised — that the Council of Ministers of Health has not met since 1978, almost as if to reach Brussels one still had to use stage-coaches, rather than aeroplanes which reach Brussels from most Community capitals in an hour at the most. I therefore think that a meeting of the Council of Health Ministers has now become essential, all the more so since it laid the foundations in 1978 for dealing with the very serious problem of dependence on cigarettes, alcohol and drugs. The problem of drugs has been mentioned. But should not we Europeans be ashamed that every year more than a thousand young people die in Europe, almost with the acquiescence of society and, undoubtedly with the acquiescence of the Community authorities?

I therefore think that any delay on the drug problem should be ended and that a few sensible and precise decisions should be taken which may assist the Member States in this tremendous struggle against powerful forces, and above all against the lack of will of some young people to overcome their problems. We have seen the cost of health care rising incredibly, while at the same time social expenditure has been cut back. It is therefore necessary and urgent to take action in order to retain credibility.

A final remark about the statistics. Mr Commissioner, we cannot go on like this, for if every country provides statistics on a different basis we cannot compare them or analyse the phenomena which cause accidents, illness and death. The harmonization of statistics through a European policy is one of the first things which should be done in order to act effectively and to be able to carry out a truly active policy to ensure the health and safety of our citizens.

(Applause from the Communist and Allies Group)

Mr Flanagan (DEP). — Mr President, I wish to follow up the remarks made by Mrs Clwyd and Mr Sherlock with regard to the disabled and handicapped generally. As so often happens here, I had other things to do and missed most of the contribution of the Commissioner on this subject, in which of course we have a particular interest.

I am only a scrummager in the pack led by Mrs Clwyd, Dr Sherlock, Mr Patterson and others, but I wish to join with them in expressing disappointment

Flanagan

that so little progress was made before, during and since the Year of the Disabled, especially by the European institutions.

The figures given by Mrs Clwyd are really very bad, especially from the employment point of view, and surely it should cause all of us who have any function in trying to ameliorate the position of the disabled to consider a more deeply the action required on their behalf. It is a truism to say that even in good times it is difficult to find the sympathy and the cooperation necessary to place the disabled and the handicapped in the way that the West German Government does, and all credit to them. They show that it can be done. There is therefore no reason why the other Member States should not follow their example, and that is in regard to one element only, namely the quota of jobs to be made available for the disabled and the handicapped.

But if that is so in the green wood, how is it in the dry? If the situation is difficult in good times it is demonstrably far more so in bad, and therefore casts a commensurate obligation on the Commission and everybody concerned to act on behalf of the handicapped and the disabled.

I would urge that this be done. I do not like saying hard words about the Commissioner or anybody else; I do not doubt the sincerity of those involved; but the record is not good. The record is one which the Commission and all of us should try a great deal harder to correct so as to give practical hope to those who cannot help themselves.

Mr Eisma (NI). — *(NL)* Mr President, something I find astonishing is the peculiar role-playing or theatricals going on between the Commission and Council who are each blaming the other in turn for the fact that nothing has been done in the Community on the question of public health. The only body which is still doing something is Parliament, but neither the Council nor the Commission will risk taking on the responsibility of following up the proposals put forward by this Parliament — and this not 6 months after we had thought a meeting of the Council of Health Ministers would take place during this German Presidency. Furthermore, it would have been high time for a meeting of this kind as the last was held as long ago as 1978. Mr Collins made this point fairly substantially in his oral question. However we were greatly disappointed when it turned out that the German Presidency could not manage to achieve this either. There are a whole range of questions involved, such as alcohol, drugs, tobacco and a European medical card, but I will not mention them all since on the one hand time does not permit and, on the other, they have already been mentioned by previous speakers in this debate. I should also like to stress once more the problems of refresher courses for general practitioners, which is also a matter involving decision-making in the

Council and Commission. The time will soon be ripe for decisions on a wide range of other proposals as well, such as those concerning the use of medicines and price increases, the formation of monopolies in the pharmaceutical industry and dumping in the third world of pharmaceutical products which are banned in the Community, recognition and protection of patient's rights, organ transplants and the health problems peculiar to women. Even if we must conclude that the Treaties do not contain any provisions directly relating to a Community health policy, this should not be an obstacle to decision-making at Council level. Political will must be able to overcome this obstacle, since if the Member States are agreed about the necessity of a joint solution, the Treaty does indeed afford possibilities. The decision-making process cannot be held up by one single Member State — I am referring here to Denmark, as I am sure you will realize — and we must, therefore, appeal to the Danish government, through our Danish colleagues in this Parliament, to change its mind. The agenda for a forthcoming meeting of Public Health Ministers is full to overflowing: all that is needed is for the meeting actually to take place. The least that we can expect from this German Presidency is the most intensive preparation possible, including bilateral contacts which have hitherto been lacking. It will then be possible for the following Presidency to put the results achieved by this Presidency to some practical use without delay and organize a meeting of the Health Ministers in the second half of 1983. We would be pleased if the President-in-Office of the Council would be willing to make these preparations without delay.

Mr President, I should like to conclude by saying that recently we brought the Council before the Court of Justice, which declared it to be in default as regard transport policy. I realize that in the health sector, we as Parliament are in a somewhat weaker position if we want to do the same thing again but if the Council continues in its dilatoriness, we should seriously think in terms of initiating this procedure on the question of public health too.

Mr Ghergo (EPP). — *(IT)* Mr President, ladies and gentlemen, the oral question tabled by Mr Collins on EEC health policy rightly stresses the substantial lack of commitment by the Commission and the Council to an organic European health policy, the main expression of which so far remains the five-year programme of research and development in the sector of medicine and public health (1982-1986) approved last year by Parliament. This is undoubtedly a concerted measure of great importance, but it cannot alone constitute a 'policy'.

In fact, we have already bemoaned the inertia of the Community institutions here a number of times. On 23 January 1980 I and other Members (Schleicher, Alber, Cassanmagnago Cerretti, Maij-Weggen, Verroken, Estgen, Michel, Mertens and Nordlohne)

Ghergo

tabled an oral question recalling that at the second session of the Council of Health Ministers, held on 16 November 1978, various subjects were discussed (possibility of limiting the use of superfluous medicines, tobacco abuse, vaccinations, mutual aid in the event of large-scale disasters, European health cards) on which, as the then Commissioner Mr Vredeling reported to the Committee on the Environment, Public Health and Consumer Protection, the Council itself had expressed an encouraging willingness to consider favourably any proposals on the subject which the Commission might present.

In connection with this oral question I made a report to Parliament at the plenary sitting of 12 February 1980, following which Mr Vredeling stated that the Commission would examine the matters in question and that it intended to present practical proposals in the first half of that year, for the planned meeting of the Council of Health Ministers.

After that meeting had failed to take place, I and other Members (Schleicher, Alber, Verroken, Mertens, Lentz-Cornette, Maij-Weggen, Rabbethge, Lenz and Michel), in a second oral question of 21 September 1981, deplored this inertia and urged the Commission at least to inform us of its intentions in the field of health policy.

At all events, the hoped-for third meeting of the Council of Health Ministers (the desirability of which was also stressed by the Commissioner for Social Affairs, Mr Ivor Richard, on 10 November 1981) has not yet taken place, and Mr Collins is right to urge now, on behalf of the Committee on the Environment, that health policy should at last be freed from the ambiguity of silences and broken promises.

It should be made clear, once and for all, whether the hopes expressed on several occasions by Parliament are answered or not by a real will on the part of the Commission and the Council to put forward a European health policy as a strategy and not as a mere collection of sectoral measures, all undoubtedly commendable but lacking in coherence. Public health concerns this whole population, since it is a basic part of the quality of life in its most general sense, and deserves much greater attention than it has received hitherto.

(Applause)

Miss Brookes (ED). — Mr President, ladies and gentlemen, as a Member of this Parliament it is not my duty to indulge in journalism, and I do indeed give Mr Sherlock that reassurance. However, it is my duty to put forward the fears of many of my Euro-constituents who live and work in North Wales. I ask on their behalf that the herbicide 2-45T should be banned until such time as it is proved absolutely safe with no conditions on its use.

Mr President, many people — scientists, area health authorities, doctors, government report — have made claims with regard to the safety of drugs over the years, but the drug thalidomide is the classic example. All claimed that thalidomide was safe, but it proved tragic. In spite of all claims that 2-45T is safe, providing it is used as recommended, there have been many individuals who have suffered from health problems, such as a Mrs Gillian Scheltinger, who claims she suffered a miscarriage after eating berries which, unknown to her, had been sprayed with 2-45T. Two men employed by the Forestry Commission suffered chronic chest complaints after working with the herbicide. In addition, the governments of Italy, Germany, the Netherlands and Denmark have banned the use of 2-45T.

Therefore, there must be serious doubt. I cannot believe that countries would have gone to the length of banning this chemical without good reason. Scientific advisers to the Transport and General Workers' Union have produced a report on this herbicide in the UK, which advises against its use.

I am not indulging in sensational journalism, Mr President. I ask for 2-45T to be banned throughout all EEC countries pending further investigations, and I urge the removal of any doubts as to its safety before resumption of its use.

Mr Dalsager, Member of the Commission. — (DA) Mr President, I have not many points to make, partly because a number of the questions raised are very specific and detailed and I have recommended the honorable Members to consult the Commission directly on them.

I see that one of the questioners at least has left the chamber, perhaps because he is not interested in hearing what the Commission might have to say on these points. I should like to say that the complaint to the effect that the office we have set up to deal with these matters consists of a single official is not entirely accurate, since this office forms part of the entire secretariat in Brussels. It is true, on the other hand, to say that we so far have only one official responsible for the district projects. As regards employment, this is obviously a general problem but one which inevitably also affects handicapped persons and this is something which we must keep a very close eye on. On the other hand, it should be borne in mind that a great many of the measures which should be taken with a view to preventing the situations we are discussing here are still matters for the national authorities and will presumably remain so for some time to come, which means that the Commission and the Council will find it somewhat difficult to make the efforts which many people are calling for in this debate.

Finally, I should like to repeat that in spite of the unexpected cuts in the Commission's budget, which were

Dalsager

adopted by Parliament, certain members of this Parliament are now complaining, after cutting our budget, that we have failed to do the work envisaged. However, despite these cuts, the Commission nevertheless managed to play its part in setting up the local projects pointed out to us and in good time to boot. I will leave it at that therefore, and pass the questions and points raised by the honorable Members on to my colleague, Mr Richard, so that he will also be able to answer the many detailed questions on behalf of the Commission. As regards the final question on the use of 2-45T, this point is not on the agenda so I have no answer to give at the present time. However, I will also pass this on to my colleague in the Commission and ask him to examine whether or not it is something the Commission should deal with.

IN THE CHAIR: LADY ELLES

Vice-President

Mr Chory, President-in-Office of the Council. — (DE) Madam President, ladies and gentlemen, let me supplement the Council's answer by adding a few remarks in connection with the questions raised here today and the discussion on holding a meeting of the ministers of health.

The German Government considers a meeting of the ministers of health to be useful and indispensable from the point of view of maintaining and expanding the Community and in view of the need for a European health policy. It is our opinion that it would emphasize the European dimension of health policy and also improve cooperation.

After the second meeting of the ministers of health, already mentioned earlier, which took place on 17 November 1978 under the German presidency, we supported all the efforts of following presidencies to arrange a meeting of health ministers; however, we pointed out that there must be specific topics on the agenda in order to justify a ministerial meeting, and that the Council must be prepared in such a way as to be able to take ministerial decisions level of political significance.

For this reason, we began working together with the Commission as early as the second half of 1982, in preparation for a Council meeting which we had originally planned for the first half of 1983. However, the necessary preliminary work on the catalogue of subjects under consideration has not yet made enough progress for there to be an adequate basis for a Council meeting at this juncture.

The planned directives, for example, in particular these on general practitioners, which have already

been mentioned today, will not be ready for a decision. Likewise, preparations have not yet progressed far enough as to the format and content of a European Health Programme, covering the particular problems, touched on by the European Parliament, such as alcohol, smoking, drugs, or other considerations such as a European health card and recommendations governing experiments on animals; any meeting of the ministers of health would not be in a position to deal with all these.

If, in the past few years, there has been no meeting of the ministers of health, this does not mean that no major questions of health have been discussed during this period at Community level. There are also — and I would emphasize this point strongly — a number of legal questions and complicated institutional problems which are difficult to solve before there are regular meetings of the ministers of health. I do not, however, intend to be put off by this. We would like to overcome these problems and for this reason originally made efforts to hold a meeting of health ministers in the first six months of 1983. The efforts of subsequent presidencies to hold a Council meeting on health matters as soon as possible will be given our support in the future, as has been the case in the past.

I would like to refer again briefly to the problem of drug abuse, which I consider to be important particularly, when it is also the subject of discussion in other transnational bodies, and in this area we must go about establishing the necessary cooperation, e.g. with the work carried out by the World Health Organization.

I was impressed during the debate by how much value and importance the European Parliament lays on a meeting of the ministers of health and on a European health policy as a whole. I now feel myself greatly encouraged in my efforts, and we will take it upon ourselves to report to the Council on what has been said here today and also to give it our support.

President. — The debate is closed. We shall now proceed to the vote on the request for an early vote on the motion for a resolution (Doc. 1-167/83) by Mr Collins and Mr Glinne, on behalf of the Socialist Group.

(Parliament adopted the request for an early vote)

The vote will be taken tomorrow morning at 9 o'clock.

5. *Consumer protection*

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

- the oral question, with debate, by Mrs Krouwel-Vlam, on behalf of the Socialist Group, to the Commission (Doc. 1-1273/82/rev).

President

Subject: Consumer protection policy in the Community

1. A number of proposals for directives forwarded by the Commission to the Council as part of the first action programme are still pending before the Council. These include the following proposals in particular:

- (a) Approximation of laws concerning liability for defective products (Doc. COM(76) 372 final — ESC 834/78) EP 246/78;
- (b) Protection of the consumer in respects of contracts negotiated away from business premises (door-to-door sales) (Doc. COM(76) 544 final — ESC 657/77) EP 227/77;
- (c) Approximation of laws concerning misleading and unfair advertising (Doc. COM(77) 724 final — ESC 900/78) EP/79;
- (d) Rapid exchange of information on dangers arising from the use of consumer products (Doc. COM(79) 725 final — ESC 121/80) EP 207/82;
- (e) Control of the possession, distribution and administration to domestic animals of substances with a hormonal action (Doc. COM(80) 614 final — ESC 238/81) EP 840/80;
- (f) Materials and articles made of regenerated cellulose film intended to come into contact with foodstuffs (Doc. COM(81) 5 final — ESC 766/81) EP 110/82.

Would the Commission state what stage has been reached in the consideration of the above-mentioned proposals and when they are likely to be adopted?

2. With regard to the directives on consumer protection adopted by the Council under the action programmes on behalf of consumers, would the Commission inform the European Parliament and the Economic and Social Committee

- (i) of the extent to which these directives have been incorporated into national law in the Member States and of the extent to which they are applied in practice;
- (ii) of any cases of which it has been notified by the governments of the Member States or any other interested parties where these directives have not been incorporated into national law or have not been applied, and of any legal action brought before national courts or the European Court of Justice?

3. Would the Commission

- (i) inform Parliament to what extent it took account of the opinion of the Consumers'

Consultative Committee in drawing up the action programmes on behalf of consumers and what proposals it submitted to the Council on this subject;

- (ii) submit to Parliament a written report indicating the extent to which account was taken of the European Parliament's opinion in the preparation of each of these proposals;
- (iii) submit a similar written report to the Economic and Social Committee indicating the extent to which account was taken of its opinion?

4. Would the Commission inform Parliament

- (i) what areas are covered by the proposals which it is currently drawing up for submission to the Council as part of the second action programme on consumer protection, and what questions are being studied by the Commission's departments with a view to submission to the Council in due course;
- (ii) whether it has established an order of priority for these questions, and which are of high priority and which less important?

5. Since it is currently considering the question of foodstuffs in the context of various Community policies and in relation to various legal provisions of the Treaty of Rome, would the Commission submit a memorandum proposing a draft uniform policy on foodstuffs, designed to protect the interests of the consumer, on which the European Parliament and the Economic and Social Committee could deliver opinions and begin discussions with the Commission?

— the oral question, with debate, by Mrs Krouwel-Vlam, on behalf of the Socialist Group, to the Council (Doc. 1-44/83):

Subject: Consumer protection policy in the Community;

1. A number of proposals for directives forwarded by the Commission to the Council as part of the first action programme are still pending before the Council. These include the following proposals in particular:

- (a) Approximation of laws concerning liability for defective products (Doc. COM(76) 372 final — ESC 834/78) EP 246/78;
- (b) Protection of the consumer in respect of contracts negotiated away from business premises (door-to-door sales) (Doc. COM(76) 544 final — ESC 657/77) EP 227/77;
- (c) Approximation of laws concerning misleading and unfair advertising (Doc. COM(77) 724 final — ESC 900/78) EP 36/79;
- (d) Rapid exchange of information on dangers arising from the use of consumer products

President

(Doc. COM(79) 725 final — ESC 121/80) EP 207/82;

- (e) Control of the possession, distribution and administration to domestic animals of substances with a hormonal action (Doc. COM(80) 614 final — ESC 238/81) EP 840/80;
- (f) Materials and articles made of regenerated cellulose film intended to come into contact with foodstuffs (Doc. COM(81) 5 final — ESC 766/81) EP 110/82.¹

Would the Council state what stage has been reached in the consideration of the abovementioned proposals and when they are likely to be adopted?

2. While the Commission has the right of initiative when it comes to drawing up proposals for legislation, is the Council of Ministers nonetheless prepared to organize regular meetings at Council level between the Ministers for Economic Affairs and the Ministers responsible for consumer protection to discuss problems in this area?

— the report by Mrs Squarcialupi, on behalf of the Committee on the Environment, Public Health and Consumer Protection, on the protection of the European consumer against imports into the Community of products declared unfit for consumption by US legislation (Doc. 1-91/83).

Mrs Krouwel-Vlam (S). — (NL) Madam President, there is a saying to the effect that promises are made to be kept, and this is very apposite in connection with the work of the Commission and the decision making in the Council of Ministers, since both bodies have made promises which they have failed to keep at the expense of the European consumers.

It all looked so promising at the beginning in Paris in 1972, when the European Council, i.e. the heads of state and government issued a noteworthy statement to the effect that economic development could not be an end in itself but was a question of improving the quality of life, after which the Commission got down to work with unprecedented speed and in 1975 came up with the first consumer action programme, which contains a number of excellent proposals for consumer protection measures. This was even followed in 1982 by a second action programme involving even more compulsory information and even better protection and legal status for the consumer.

What, however, has become of these two programmes? The vast majority of the proposals con-

tained in the first action programme are still a waiting a Council decision, while the Commission has still not submitted the proposals promised. The situation as regards the second action programme is even worse — so far the Commission has not submitted a single proposal. What is going on? I cannot imagine that the Commission has been sitting twiddling its thumbs for the last three years. Are we to conclude, then that this was merely a cheap publicity stunt involving promises to the people of Europe to which the Commission had no intention of keeping? My Group will have no part in such a thing, nor will we go on accepting the Council and the Commission's excuses for their failure to introduce a genuine consumer policy, since whenever legal problems arise, possibly involving major differences in the various national legislations regarding competition, they are soon solved, whereas if the same problems occur in connection with consumer protection, they are suddenly insoluble. No, Madam President, it is simply that the Council has not got the political will necessary to get a serious consumer policy off the ground.

However, I should like to draw the attention of the Council and the Commission to the fact that this Europe is still working hard on strengthening and extending the common market in spite of the economic recession and the increasing protectionism in the Member States, and if this development of the common market is not accompanied by a European consumer protection policy I would like to warn you of the probable consequences, i.e. the Member States will use consumer protection for purposes of protectionism, which would be in the interests of neither the Community nor industry, and certainly not of the consumer. Consumer policy is not a group interest, it is a policy which affects everyone. I can imagine the Commission being frustrated at the indecision on the part of the Council. How does it intend to encourage the Council to act more swiftly? Certainly not by failing to come up with new initiatives as is the case at present. The Commission is on the wrong track here and is leaving the consumer in the lurch. Europe is shortly to go to the polls and I should like to ask the Council what it intends to say about 5 years of consumer policy when the time comes? And what will the Commission say? 'Sorry, we are still waiting for the Council to deal with everything'?

I will not go into all the proposals before the Council but merely mention one example of dilatoriness and indecision, i.e. the directive on door-to-door sales, on which Parliament issued an opinion some six years ago in 1977. Surely six years should have been enough to come to some result by means of consultation and adaptation of the directive, the interests of the consumer being the prime concern? It is not for nothing that the public get the impression that the Commission and the Council take more notice of the various groups in industry than of the consumer organizations. In the Commission budget, the number of meetings of certain advisory committees is limited, includ-

¹ A number of other proposals in the general field of veterinary medicine and public health are also awaiting decisions and the Council is requested to summarize these proposals and comment on them.

Krouwel-Vlam

ing the consumers' advisory committee, the members of which represent the general interest and have very little in the way of their own financial resources, unlike those who represent industry. This is not fair and I hope and expect the Commission to reverse its decision in this respect.

Madam President, I should like, if I may, to ask the Council what it intends to do with a view to keeping the many promises it has made in connection with improving consumer protection, since during this period of unemployment and economic crisis consumer protection is not a luxury but a stern necessity. Consumer policy to date has been inexcusable and cannot be allowed to continue along the same lines. The Commission, the Council and Parliament must get together to devise and implement a consumer policy in the interests of the 280 million inhabitants of the Community. I would like to conclude by quoting the memorable words of Jean Monnet, who said that the common market was not set up in the interests of the producer but primarily in the interests of the consumer.

(Applause)

President. — I have received from Mrs Krouwel-Vlam, on behalf of the Socialist Group, a motion for a resolution with request for an early vote, to wind up the debate on these questions. This motion has been printed and distributed as Document 1-166/83, and is available from Distribution. The vote on the request for an early vote will take place at the end of the debate.

Mrs Squarcialupi (COM), rapporteur. — *(IT)* Madam President, until a few years ago the consumer protection legislation in the United States was of interest from various points of view, and even provided protection for the health of consumers. Apart from that, the legislation covering harmful products laid down a system of rigid controls within the United States and imposed a considerable burden of responsibility on the producer when dealing with foreign purchasers. This legislation was motivated by both ethical considerations, linked with national prestige, and by considerations of political convenience.

I have often quoted that legislation, at meetings of the Committee on Consumer Protection, as an example for us. But when, some years ago, there was a change of administration in the United States, other things changed too, including the situation in respect of consumers, which was what decided Mr Glinne and other members of the Socialist Group to table the resolution which gave rise to this report.

What happened was that a bill passed in January 1981 by the Carter administration — the Federal Hazardous Substances Act — was repealed a month later by

the incoming administration as it was considered 'inconvenient and costly for the public and private sectors'. The repeal of this bill resulted amongst other things, in the elimination of the need to provide notification of consumer products which did not come up to accepted safety standards, on the grounds that in developed countries notification of this kind would be superfluous whilst in developing countries the level of knowledge of such matters was not adequate to make use of such data. These were the reasons given for the repeal of this important legislation. But that was not all: a report by the under-secretary at the department of commerce, Mr Baldrige — this is to show you what the policy of the American administration has been in recent years — recommended ending the ban on the export of medicines which had not been approved for use within the United States, obviously medicines which are principally intended for the countries of the Third World.

What concerns European consumers more directly, however, is the freeze in negotiations between the United States and the European Community. Negotiations were opened in 1977 with the aim of looking for ways of reaching agreement on the implementation of the Toxic Substances Control Act, one of the most interesting laws passed in the United States. The points for discussion between the United States and the European Community were numerous and even complex. In a Commission report of November 1980 it was revealed that the authorities in the United States were seeking to indulge in unfair practices which the European Community could naturally not accept, for example by subjecting substances produced by European industry to excessive checks and controls.

The resolution which has been voted on by the Committee for Consumer Protection contains some very simple points on which I hope we can reach an agreement. In the first place, the Commission is invited to submit to the Council at the earliest possible moment an amendment to the directive on restrictions on the marketing of certain dangerous substances, the aim being to speed up the amendments to such accompanying documents as might be necessary. Another point on which I think there will be an agreement is the recommendation, or rather the request, that negotiations between the European Community and the United States should be resumed as soon as possible. The third point is a request that the Government of the United States should not implement its plans to permit the free sale of dangerous products abroad; we also hope that there will be a consensus on these points so that we may avoid more serious problems in the future.

This morning we discussed the question of Seveso and we saw that a little severity at the beginning is preferable to crying over spilt milk. I shall therefore be grateful to other members of this House who wish to speak on the matter, especially if they are able to give support to this resolution, which represents an

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immense effort at mediation between the various points of view, and, in my opinion, faithfully reflects the demands of European consumers.

Mr Chory, President-in-Office of the Council. — (DE) Madam President, ladies and gentlemen, as the President-in-Office recently told Parliament in his answer to Mr Collins at Question Time during the February 1983 plenary session, the competent bodies within the Council are further considering the files on consumer protection, in particular those files mentioned by the honourable Member, namely the proposals on door-to-door selling, misleading and unfair advertising, liability for defective goods, the rapid exchange of information on dangerous substances, the use of hormones, and packaging materials for food-stuffs.

In view of the import of the problems, which largely derive from the differing legal provisions within the various Member States, it does not seem possible to say when these proposals will be approved. Moreover, the presidency is not at present planning to hold a special meeting at Council level of ministers responsible for consumer protection. As regards the two proposals mentioned by the honourable Member, which concern both the question of consumer protection and the problems of agriculture, I should like to make it clear that the directive concerning cellulose packaging for foodstuffs ought to be coming up for approval by the Council in the near future.

As regards the proposal for a directive on the monitoring of hormone substances in animals, the Council is waiting, before giving its opinion, for a new proposal from the Commission on the effects of five further hormone substances.

Mrs Seibel-Emmerling (S). — Madam President, ladies and gentlemen, the making of solemn declarations is a highly popular sport the Council, as we have this week once again been able, or rather been forced, to see. But the picture is quite different when it comes to abiding by these declarations. Having heard what the State Secretary told us about waiting and evaluating the relevant departments and files, waiting for reports on five more substances and the like, I must say that neither the Socialist Group nor the people of this Community can or will be satisfied with that.

The public in our Member States have a right to expect that now at last — or at least — they will see some action in consumer politics. The Council is giving a shameful demonstration here of its helplessness, of the paralysis of European policy and of the jeopardization of the Community for which it is responsible. All these important Community projects in the sphere of consumer protection came into being years ago but have been delayed and not solved within this Community.

Mrs Krouwel-Vlam quite rightly reminded that next year, the year of the European elections, the European electors will insist on these promises, and the worst of it is that the European electors will hold us, Parliament, responsible for something which is not actually our fault. We ought all to learn a lesson from this discussion and this answer from the State Secretary. We shall inevitably be made the scapegoats for a policy of the Council which we do not want. We have really worked hard on consumer policy in this House, and everyone knows that many of the proposals we are outlining today have been the subject of controversies in this Chamber and that my group cannot by any means declare itself in agreement with every passage in every directive which we are demanding today, but that is not the question at issue. We have worked on these matters and have taken majority decisions and have approved consumer policy accordingly.

I believe, that I am speaking for the whole House when I say that we have had enough of working for the safes and waste paper baskets of the Council. We — and we are not alone — now demand action at last. The consumer associations of the Community are absolutely unanimous, at the level of both European trade union consumer policy and of other large-scale associations. We declare, together with them, that the balance of the Council's consumer policy invites complaints that the Council has gone back on its solemn promise of 1972 and indeed has broken it. My parliamentary party is working for the future and so I shall conclude my lament and strike up a tune of hope. It is admittedly very late, but it is not yet too late to realize at last that the crisis and incipient poverty in many countries of the Community and dwindling purchasing power in all countries urgently require an answer from the Council, not an answer which kowtows to the industrial and trade lobby, which has always been opposed to a consumer policy, and to realize also that this crisis and the situation in Europe demand that action should be taken at last. Why do we need a first and a second consumer programme? What is it all for when nothing happens? It is our task to challenge the Council in the name of the people of this Community and to throw the switches which will bring further help. I stress once more that these switches must be set, even if some individuals are not fully satisfied, and that this must be on the basis of a majority decision.

I hope that what the Secretary of State has presented to us as the final conclusion of wisdom will not in fact turn out to be the final conclusion of wisdom. If the Council is waiting to see whether this or that substance is found before taking up a position as regards all other dangerous substances, then we, if we are still sitting at all, will still be waiting 20 years hence for a consumer policy from this Council.

The Parliamentary Socialist Party has introduced a proposition based on Mrs Squarzialupi's report. I should like to state once again what has led the Parliamentary Socialist Party to table two related amend-

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ments although only one of them is before us today. In the first proposal it is stated that we are simply not ready to swallow everything that people want to sell us, especially when its dangerous nature is known so that in other countries it cannot be offered to the public. That briefly summarizes the content of one of the amendments. The second is to the effect that we are not prepared either to endanger other countries by such products which may be produced but not sold in this Community and out of which we merely make profits by throwing these products on to the market in non-Member countries without reflecting about the consequences for those other countries. These two themes must be considered together. We see them as an integral whole and would like to see them further interrelated, but above all we desire protection of the population in our Member States as Mrs Squarcialupi has mentioned to us today.

Mrs Schleicher (PPE). — *(DE)* Madam President, ladies and gentlemen, we have once again before us today a proposal, a contribution to the debate on the subject of getting through the Council legislation which was long ago adopted by Parliament. Basically, Parliament did its duty a long time ago as regards consumer policy and, as you have just heard from Mrs Seibel-Emmerling, it has actually done so effectively, for we reached majority decisions on legislation which could apply throughout the whole Community. It was really not easy to reach these decisions. We simply cannot imagine why it is that the elected Members for ten countries, with 56 different parties represented in this Parliament, can manage to take majority decisions to produce reasonable solutions, but that the Council, with ten members, cannot manage to devise a joint solution to these problems. That is a regrettable state of affairs.

I should therefore like to explain the course these problems take, since those outside are not especially familiar with that. But, as I have said, it is not us who should be the scapegoats. We believe that it is even our duty to follow up matters which get bogged down. If a political problem comes up, the Council as a general rule first asks the Commission to draw up a proposal for a regulation. A draft is then prepared. The draft is checked and put before the Council, which discovers that certain problems are so great that they defy solution. And so that Commission is requested to present a further proposal on one detail of the problem. The Commission must then submit a proposal on this detail, whereupon the wheel turns full circle until it stops once more at the Council. The final result is that the public rightly complains that we get ever more finicky rules which please no-one. But the Council itself could make the rules differently and not always side-step issues and take refuge in the details. We simply cannot go on in this way.

I should like in this context to take up again one problem which has been considered here frequently, and

that is the whole area of misleading and unfair advertising. It is totally incomprehensible why no decision has yet been taken on this matter. I know of no-one who does not wish to see action taken as quickly as possible. Persons concerned, whether they are trade representatives or consumers or whether they are industry or advertising, are pressing for action. And yet the Council, that is the governments responsible, is not able to solve this problem. It is strange that elected governments with political responsibility cannot manage to achieve anything in such matters, in which all those concerned have essentially reached agreement. It is strange that the Council does not recognize its duty to finally take a decision in this matter. I do not understand either where things are to go from here once international television, now inevitable, appears on the scene with its advertisements, or how it will be possible to whold existing national legislation. The factors involved will be quite different at that stage.

I could show, for each topic mentioned in this motion that we are simply not making any headway. The content of the motion is moreover not new, since we have already debated the same motion on the basis of motions tabled by other groups, including my own, e.g. by Mrs Maij-Weggen. We must therefore of course use the forthcoming elections to clarify matters and to show that responsibility should be laid at the door of the elected representatives but at that of the respective governments. I cannot even blame any particular Council presidency. So far as I can see, the various presidencies to date have always been willing to get things moving, but they have been blocked by the other members of the Council. In my view this should be much more clearly expressed in public. The public must be made aware that it is those with political responsibility who must be made to carry the can when complaints are made against the European Community.

I do not in any case understand — and this is also the opinion of my group and, presumably, the opinion of many Members in this House — how the European Community, which can basically boast that it is making progress unparalleled throughout the world and which has outstanding possibilities for further action, should be defeated by such problems. In my opinion, we must also appeal to the political responsibility of politicians in governments, so that the public is not left in any doubt about the usefulness of the European Community, despite these problems. I should therefore like to ask the Council representatives to report back to their own countries and put these problems before their own governments, since we consider that decisions must finally be taken on this question as a matter of urgency.

Mr Eisma (NI). — *(NL)* Mr President, I have very little to add following the impassioned contributions by my colleagues, Mrs Seibel-Emmerling and Mr Schleicher. We also join Mrs Krouwel-Vlam, who

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tabled the motion for a resolution, in deploring the fact that things are moving so incredibly slowly in the field of consumer policy in the Community. Only the labelling directive represents a step forward. The blame lies principally with the Council, but also with Parliament which recently rejected a Commission proposal on the implementation of the labelling directive, so we should look nearer home when we start with our criticisms. Is the producer's lobby so strong that this Parliament is forced to give in to it, I wonder? Mr President, it is our view that this Parliament should also stand in the breach for consumer interests and that a European consumer policy should finally get off the ground. Obviously, we will give our wholehearted support to the motion for a resolution by Mrs Krouwel-Vlam.

Mrs Van Hemeldonck (S). — (NL) Madam President, various major international undertakings — principally American-based multinationals — take advantage of the inconsistencies between the various national legislations on consumer protection to export products which are banned in the United States themselves to the European Community or the developing countries. The products in question are primarily pesticides, toxic chemical unsafe or ineffective pharmaceutical products, medical equipment and rejected biological and medical products such as plasma and vaccines.

Until recently, the United States had a reliable safety system and a procedure whereby the recipient countries had to be informed of any shipments of dangerous products. The American Government has now decided to suspend this system of protection for the European consumer on the pretext that the notification procedure constitutes an obstacle to American foreign trade. The procedure already had its weak points in that the designation did not always accompany the product in question right up to its final destination and it also happened that American firms set up subsidiaries in other countries to manufacture certain products for export which were banned in the United States.

Madam President, the OECD is currently preparing an agreement regarding strict monitoring of the export of all dangerous substances and this morning's debate on Seveso has reminded us once more what a useful thing this would be. Pending this agreement and until we in the Community also introduce stricter regulations and directives governing transfrontier transport of dangerous substances and products, this Parliament and Council must urge the American Government not to put its plans into practice and to suspend the export of dangerous products.

We would also appeal to our colleagues in the American Congress not to go along with a weakening of American legislation on toxic chemical substances, pesticides and pharmaceutical products.

Mrs Lentz-Cornette (PPE). — (FR) Madam President, I should also like to speak on the motion for a resolution tabled by Mrs Squarcialupi.

As the title indicates, we are concerned here with two problems. In the first place protection of the European consumer as regards poisonous or toxic products and in the second the level of imports of such products from the United States.

What are our means for preventing poisonous substances from entering the Community? First of all, in principle, importing countries must be responsible for defining their own conditions for the marketing of the products offered.

The Community has two Directives:

The Directive of 17 September 1979 on the classification, packaging and labelling of dangerous substances. Under that Directive, the Community may request the importer to provide all details concerning toxicity, the potential risks for man and his environment and the conditions for use. Who, therefore, could prevent the Community from banning the importation of any dangerous product from any country? Article 23 of that Directive empowers each Member State to refuse to import dangerous substances. The Glinne resolution for its part refers to a certain number of poisonous products. The Commission should check these references and submit to us proposals for the amendments required to the Directive. The Consumer Protection Committee will not, however, be able to give a favourable opinion to these modifications very rapidly;

Directive No 76 of 27 July 1976 providing the legal basis required for banning the importation of preparations presenting certain risks.

If the rapid information system which we installed about a year ago is working as we would wish, Mr Narjes, a Member State should be able to inform the Commission in a short space of time of the presence of these products within its territory, so that the other countries may also order withdrawal from the market.

These are the three essential means which should between them suffice to protect the citizens of Europe.

As regards the importation of poisonous products from the United States, we have more than a mere platform for discussion with our American friends for persuading them not to send products whose sale is banned in their own country. We should clarify the situation within the context of various multilateral and bilateral negotiations at OECD, United Nations, WHO and FAO level.

President Reagan in fact repealed Executive Order 12 264 in order to revise the procedures for notifying and informing importing countries. In the interim, the

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American Government is continuing its survey of substances which are banned or the use of which is restricted. In the SEP report (Hazardous substances export policy) there are positive points which have not been quoted by our Socialist or Communist colleagues, such as the preparation and worldwide distribution of an annual compendium of regulations on the various poisonous and dangerous substances or the encouragement of international action for the setting up of a very high-speed information system at world level. This point goes against paragraph 3 of Mrs Squarcialupi's resolution, which states that the United States is taking steps to see that dangerous substances manufactured in that country are sold freely abroad.

We in the EPP Group do not agree with paragraph 3 nor, moreover, do we agree with paragraph D in the preamble. We therefore demand a separate vote on all the paragraphs of the resolution. We consider, moreover, that whilst Europe has still not defined a policy for the exportation of potentially dangerous substances to third countries, it is in a weak position to start asking the United States to give a clear statement of its policy.

Mrs Maij-Weggen (PPE). — *(NL)* Madam President, Mrs Krouwel-Vlam's oral question, on which I would like to speak, concerning the stagnation in European consumer protection policy is extremely apposite since the initial enthusiasm which surrounded the first European consumer programme in 1975 and which subsequently infected the European consumer organizations too has slowly but surely evaporated and it could even be said that there is a growing cynicism and negative attitude with regard to European consumer policy and the Community as a whole — and the reasons for this are obvious.

A large number of proposals for European directives contained in the first programme have never been put into practice. They are still with the Council of Ministers which is simply not getting round to taking a definitive decision. Some of these directives have been before the Council for some 3 or 4 years while others — I am thinking for example, of the directive on liability for defective products or the directive on house-to-house selling, which has already been mentioned, and the directive on misleading and dishonest advertising — will soon be celebrating their 5th birthday in the Council's bottom drawer and I should like to say, while we are on this subject, that if the State Secretary really thinks, as he has just stated, that the whole business is so complicated because the Council must go through the entire legislation in this field he is talking utter nonsense since whenever the Commission submits its proposal for a Directive it examines the existing legislation and when Parliament issues its opinion on the piece of legislation in question, the national legislation is examined once more, and the same is true in the case of the Economic and Social Committee. Thus, by the time these proposals for directives end up

on your desk, they have already been examined from the point of view of all the various national legislations by three different high-level bodies, which means that you do not have to go through the whole business again and if you then leave these proposals lying around for 5 years you can hardly come up with excuses of this kind — it is simply a question of lack of political will.

The second consumer programme, which was drawn up by the Council in May 1981 was in fact originally given an enthusiastic reception by the European consumer organization, but Mrs Krouwel-Vlam is right in saying that not a single point contained in this second programme has so far been put into practice. Nothing has even come of the proposal by the European Commission aimed at establishing better coordination and dialogue with the European consumer organizations, although this is perhaps understandable to a certain extent since if the Commission and Council have such a guilty conscience and are getting nothing done, they will obviously prefer to avoid contact with the European/Consumer organizations.

However, the Commission and Council should bear in mind that a well coordinated consumer policy is particularly vital at this time of economic recession, partly because with falling incomes, increasing unemployment, rising prices and diminishing purchasing power it is particularly important that the consumer is able to make a carefully considered choice of which of the various products on offer to buy with the increasingly limited funds at his disposal.

On the other hand, however, it is necessary to protect undertakings from unfair competition since if the legislation in one country makes different requirements than that of another country for a particular product, this can give rise to distortion of competition, indirect protectionism and unnecessary price differentials. The result of this is that not only the consumer but industry too come to suffer from the harmful consequences of the lack of well harmonized legislation, at least when exports are involved.

This, I think, is the key to getting things moving again in this area. If you can make it clear to European industry that European legislation on consumer matters is not, as it were, a millstone around the neck of European industry but is primarily there to back up the common market, it might be possible to turn the resistance which stagnation of this kind always leads to into positive cooperation. However, this will require the necessary political will and positive action on the part of the presidency of the Council of Ministers and for this reason we endorse the questions which have been raised and support the appeal to the effect that the European Ministers of Consumer Affairs should be finally convened to examine the question of whether or not a number of decisions could be made.

For the rest, how does the President of the Council of Ministers expect to re-establish the faith of the Euro-

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pean consumer organizations in this European policy? I would be grateful for an answer to this question and would point out, in this connection, that if we in the European Community lose the confidence of the consumer organizations, we will also lose the confidence of the citizens of Europe and we will be called to account in a year's time. However, it is you who are responsible and this cannot be repeated often enough in this House, Mr President.

Mrs Vayssade (S). — (FR) Madam President, I might perhaps be repeating what Mrs Maij-Weggen has just said, but I was, like her, very surprised to hear the Council reply that it had not had time, in six years, to approve the directives on consumer protection.

The fact is that when the directives come before Parliament the Commission has already prepared its text, the consultations, contacts and analyses have been made, and the texts which are presented to us are already the result of an agreement between the Member States to produce a draft directive. To tell us now that it is too complicated to implement them seems to me to be almost an expression of bad faith. And, like Mrs Maij-Weggen, I am convinced that it is the Council's lack of political will which leads to the shelving of problems connected with consumer protection.

This seems all the more serious since it presents a double risk: the first is that, during this delay, the legislation in the Member States is continuing to diverge considerably, thus ruining projects which had already been outlined. This is the fault of the Council, and of the Council alone and I think that it should acknowledge that fact. The second risk is that the delay thus incurred might jeopardize the solutions once envisaged, so that we find ourselves lagging behind in technical problems or technological advances. I am thinking, in particular of the fact that we have not yet seen the Council adopt a directive on advertising. What will happen when we want to regulate radio and television advertising by satellite in Europe? We shall certainly be defenceless when we want to examine in detail how advertising is carried out, since we were not even capable of coming to grips with it at a time when the means used were much less sophisticated and easier for each country to control.

I should like to ask the Commission to give us a very clear and very firm answer to point 4 of Mrs Krouwel-Vlam's oral question. I think it is very important for us to know what is to be done with this second action programme — that is, what is to be done in practice? And by when? What are the priorities? I cannot stress this too highly, since I fear that, if we do not have a clear and firm undertaking by the Commission on this programme, it will turn round and tell us that, in the last instance, these programmes for consumer protection are more a matter of misleading advertising than political reality.

Moreover, the Commission must make it clear to us what type of relationship we are going to have with Community consumers as a whole and how we are to mobilize them to allow them to express their opinion, to allow them perhaps also to meet producers at Community level, with a view to getting things moving on consumer rights, and so that each of us, as daily consumers, feels both informed and protected on an equal basis throughout all countries in Europe.

Mr Narjes, Member of the Commission. — (DE) Madam President, first of all I should like to express my hearty thanks to Mrs Krouwel-Vlam and Mrs Squarcialupi for their questions which have given us the opportunity to have this urgent debate about the poor state of consumer protection in the European Community. Perhaps I might refer to the remarks in the February debate on a question put by Mr Collins at that time. The Commission then wanted to make it clear to Parliament that it would never be frustrated and would never allow itself to be thwarted by any Council red tape put in the path of persistence and tenacity. Furthermore it would be more determined than those experts who claimed to be experts in consumer protection but who were in fact experts in obstructionism and in preventing the adoption of decisions.

In connection with the speeches of some Members I should like to take the opportunity of referring first to the fact that in the Council of Ministers there is no one who does not belong to one of the parties in this forum and that there are therefore definitely opportunities for exerting influence on those sectors of the Council of Ministers which, for one reason or another, may have contributed to the state of affairs in which we have to wait as a rule for five or six years for a decision from the Council.

My second remark relates to Article 5^a of the EEC Treaty which imposes a duty to promote the interests of the Community. This applies also to experts and specialists meeting as the Council of Ministers and anyone who instigates and signs measures for all kinds of sidestepping to delay or prevent the adoption of decisions is offending against the elementary duties arising under the Treaty of Rome.

(Applause)

I should be very glad if the honourable assembly would refrain, when discussing and evaluating such facts, from dismissing everything under the general heading of Brussels, and would instead draw a distinction between Council and Commission. We have enough problems because we are in the same place and the public gives us many a thrashing under the general heading of Brussels for things for which we are not responsible. Thus we would stress all the more the importance of drawing a distinction between ourselves and the Council and its methods of putting a brake on

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integration. For that reason, moreover, we have no part in the bad faith about which Mrs Majj-Weggen spoke.

In the first part of her question Mrs Krouwel-Vlam quoted a list of proposals and administrative provisions in favour of consumers since 1976 and linked it with a question on the position regarding that list. In fact nothing is less readily calculable than the unfathomable decisions of our Council of Ministers. It is thus impossible to forecast as regards specific data. When you and Mrs Vayssade ask me how we can even entice decisions out of this Council of Ministers, I can tell you that for this purpose we have introduced into the so-called enlarged domestic market package, made possible by the Copenhagen summit decisions, three decisions on consumer protection which are particularly dear to our hearts. These are responsibility for products, door-to-door selling and unfair advertising. We assume that we shall be able to propose these three initiatives to the Council of Ministers in the course of the next two months and further compell them to make progress. In this connection progress is not to be equated with partial agreement but, in our view, with a compulsion to adopt decisions with respect to various options, as frequently demanded. At all events, if these wishes and hopes which are cherished also by the Council of Europe are not fulfilled, we shall report to the Council of Europe in June on the maltreatment of the matter of consumer protection at the hands of the Council of Ministers.

I should like to add a brief footnote to the remarks of Mrs Schleicher; the state of affairs which she has described is not yet a matter of course, for which we are truly thankful. The normal state of affairs with us is that initiatives come from the Commission and that as a rule when our initiatives are on the table the Council of Ministers tries at all costs to persuade us to alter them so that they are more likely to be adopted by a majority decision, which mostly involves diluting them and watering them down. It is very painful for us to have go through such second and third sittings with gritted teeth. If we do so it is only for the sake of unity and consensus in order to make initial inroads into a topic and not to deliver a placebo to the consumer for years to come.

The question has been raised as to how the rules regarding consumer protection are put into practice by the Council of Ministers. This is a complicated subject with many facets, but from the political point of view there are only very few cases of genuine delay, and in such cases — speaking quite generally — we have naturally never hesitated to make use of Article 169 to force the governments concerned to fulfill their obligations by threatening them with the relevant penalties and, with the exception of three cases outside the field of consumer protection, we have always been successful.

The question of the consideration to be given to the results in the consultation procedure has also been

raised. The Consultative Committee on Consumer Protection has been an advisory body to the Commission since 1973. Thus it may give its views either on the initiative of the Commission or of its own accord with respect to all questions concerned with Community policies and programmes for the protection and informing of consumers. In addition I should like to refer in connection with this matter to the fact that the committee on Consumer Protection need not necessarily take the initiative itself or bring in the Commission if it wishes to consult other circles, producers or farmers. It may without further ado meet representatives of other interests or producer circles on its own initiative. Since 1973 the Commission has received more than 100 opinions from the Consumer Committee, including particularly important opinions on the first and second programme. That gives me an opportunity, Mrs Krouwel-Vlam, to refer to the fact that even in the February debate I mentioned, by means of examples, which initiatives we had brought to the fore despite all the inertia holding back the wheels of business; I should be glad to point out to you at one of your future committee meetings the details of subjects which we regard as the focal point of our work — and that moreover in agreement with the present constructive Presidency of the Council. We have always taken due note of the opinions of the Economic and Social Committee which has also been mentioned here. We have frequently adopted amendments under the second paragraph of Article 149. A list of proposals for amendments under the second paragraph of Article 149 is being prepared and will be put before the relevant committee.

We give pride of place in all the priorities within the sphere of the protection, health and security of consumers, to foodstuffs policies for the immediate future. In many respects it gives cause for concern, as has also been mentioned here in this debate. The Commission's latest measures are based on the considerations which the Commission mentioned in its communication to the Member States in September 1980. This communication, moreover, goes back to a judgment of the Court of Justice in 1979 — the well-known *Cassis de Dijon* decision. I do not need to repeat the details here.

I should now prefer to go on to Mrs Squarcialupi's question. It is a very interesting question on a subject which has been giving us a certain amount of concern for a considerable period. First of all I should like to congratulate her on the way in which she has presented the subject so impressively and placed it in the context of the problems concerned. Our concern relates in particular to the development of the American legislation known as the Toxic Substances Control Act (TSCA). On 30 May 1978 — five years ago — the Council empowered the Commission to open negotiations with the United States government and, I am quoting, to go into the possibilities for the conclusion of an agreement on the provisions for applying the TSCA to products for the EEC on the one hand and

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the Community provisions regarding products for the United States on the other hand. Since then there has been many meetings with the American authorities responsible for applying the TSCA.

Then in February 1981 the Commission sent an interim report to the Council, to which it has already referred, and in which they stated that negotiations were certainly proceeding well but that there remained some ticklish questions in connection with the reliability of statements on the priority list of substances and special precautions with regard to the provision and control. It emerged from the 1981 report that the United States authorities would attempt to use against the Community the machinery for unfair competition interpreted according to American legislation. I think an interpretation of that report lies a little outside the sphere we wish to cover. I mention this only to give the proper background to the American position.

But this general statement relating to that period is important now since we must admit that the government change in Washington has had a perceptible influence on the dialogue about the control of chemical substances, particularly as regards environmental policies. According to the current position we must assume that the most recent proposals from the Environment Protection Agency for the implementation of the TSCA have actually put back the agreement on both sides of the Atlantic. It is already some time since the Commission sent its comments to the government in Washington referring once again to the need for international harmonization of chemical substances as regards both the protection of mankind and his environment and also to the elimination of non-tariff barriers to trade.

What is more, we have read with particular interest point 2 of Mrs Squarcialupi's motion, according to which the Commission is asked to put before the Council as soon as possible a proposal for an amendment to Directive 76/769 of July 1976 in order to make it possible to set up a Committee responsible for technical advances so that supplementary provisions and amendments may be adopted in the annexes. Such a committee procedure might in fact lend greater flexibility and speed to the process of Community legislation in such cases. The Commission did in fact provide for such a procedure in its original proposal of 1976, but at that time the proposal met insuperable opposition from the Council of Ministers. In this respect the Commission regards the new decision as a welcome support for its initiative which did not succeed in the latter half of the 1970s. Perhaps the situation has now changed a little. At all events, a preliminary check has shown that the chances for acceptance by the Council are today initially no more favourable than in 1976, but I have given instructions that the initiative of this assembly is to be taken up at once and that the relevant proposal for an amendment is to be drawn up. We are expecting a detailed survey before the summer

recess. Afterwards details my perhaps be discussed in Committee.

Mr Chory, President in Office of the Council. — (DE) Madam President, ladies and gentlemen, in this very impressive treatment of the question of consumer protection the difficulties and the delays which have occurred in the treatment of directives in this sphere have become known. It should not, however, be thought that, as has been said here, proposals on this subject have been shelved; such factors are due to the fact that there are technical problems of considerable scope, particularly of a legal nature, but related also to the various concepts in the Member States in the sphere of consumer protection which, as has also previously been mentioned in this debate, may on occasion present difficulties to Parliament too. The competent departments of the Council are at present discussing a series of the directives mentioned in the motion, e.g. the proposals about deception and unfair advertising, the directive on the rapid exchange of information on dangerous substances; consideration is also being given to the file on door-to-door selling and liability for defective products. In this very difficult province we shall moreover certainly not be able to spare the Commission the difficulties which it has previously complained of here. However, we shall not ourselves sidestep these difficulties either, particularly in view of the encouragement we have received from this lively debate.

President. — The debate is closed. The vote will be taken at the next voting time.

We shall consider the request for an early vote on the motion for a resolution (Doc. 1-166/83) by Mrs Krouwel-Vlam, on behalf of the Socialist Group, to wind up the debate on the oral questions on consumer protection policy in the Community (Doc. 1-1273/82/rev. and Doc. 1-44/83).

(Parliament accepted the request for an early vote)¹

6. Medicated feedingstuffs

President. — The next item is the report by Mrs Squarcialupi, on behalf of Committee on the Environment, Public Health and Consumer Protection (Doc. 1-79/83), on

the proposal from the Commission to the Council (Doc. 1-987/81 — COM(81) 795 final) for a directive on the manufacture, putting into circulation and supply of medicated feedings-stuffs in the Community.

¹ Agenda: see minutes.

Mrs Squarcialupi (COM), rapporteur. — (IT) Madam President, I want to give the House a short introduction to this report, which concerns a proposal for a directive on the manufacture, the marketing and the supply of medicated feedingstuffs in the Community. This is another attempt to make the Community's internal market in meat more transparent, which will result in an additional advantage for consumers, but also for meat and milk producers. The fact is that medicinal products may constitute a serious danger for consumers if they are mixed with the feedingstuffs given to animals. The directive therefore only considers feedingstuffs and veterinary medicines which are officially approved and which may only be sold on presentation of a prescription signed by a veterinary surgeon, and only for the animals he is treating. Public opinion is still rightly alarmed at various practices involving the use of additives in animal feedingstuffs, in particular hormones, which may have so many different consequences for public health.

I am sorry that the President of the Council has just left the chamber, because a short while ago, in one of his replies, he said that he was waiting to take a decision on hormone treatment. I should have liked to ask the Council — but I hope that someone will refer this matter to it — what it was waiting for in order to approve this directive on hormone treatment. Maybe it is waiting for our children to be born with beards and moustaches? Maybe it is waiting for our children to develop luxuriant bosoms like those of the cinema stars of the 1950s? I should have liked to ask the President-in-Office of the Council whether the Council of Ministers was more responsive to the interests of a few thousand livestock breeders or a few hundred hormone producers than to those of 270 million European consumers. But the representative of the Council of Ministers has left the chamber. We can sympathize with him, because it has been a very tedious day, which, as far as he is concerned, has been far from satisfactory.

Coming back to this directive, I must say that the main aim is to set up in the Member States a common, uniform system of rules, which, as such, will not penalize or favour any one country. The need to adopt a directive on the production and the marketing of medicated feedingstuffs arises from the ever increasing, generalized spread of intensive breeding processes, during which animals are subjected to stressful living conditions which result in an increasing frequency of disease.

The causes of such pathological conditions are predominantly environmental in nature, so it is much more convenient and cheaper for breeders to administer the necessary medicines directly via the animals' food.

In the notion for a resolution, the Committee on Consumer Protection asks, amongst other things, for the Commission to take urgent steps to reduce the quant-

ity of medicinal products intended for animals and, in addition, asks for the setting up of a system for checking and monitoring withdrawal periods, that is to say, the periods which elapse between the administration of medicines, or medicated feedingstuffs, and the moment of slaughtering. Our committee is also asking — again with a view to protecting consumers' interests — that the administration of medicines and medicated feedingstuffs for auximic purposes, that is, with a view to increasing animals' weights, should be forbidden. Apart from that, we are asking that the illegal marketing of veterinary medicines and medicated feedingstuffs, which happens rather frequently, should similarly be banned, and we want the problem of vegetable, animal and synthetic residues in foods intended for men and for animals to be looked into in detail.

Among the requests submitted by our committee, which we hope the Commission will take into account, there is, finally, a request for a more precise definition of the term 'manufacturer', which is used in the directive, and for more precise marking of products, incorporating not only the name of the manufacturer but also a reference number, which would make it possible to identify products more accurately and more rapidly, thereby facilitating checks.

I hope that this report, which has been unanimously approved by our committee, will meet with similar approval in this House, given that, in my opinion, all the amendments are acceptable. I hope that the citizens of Europe, thanks to this directive, will be able to enjoy cheaper steaks with greater flavour and, above all, steaks which are of greater benefit to their health, to their wellbeing and that of their children.

Mrs Krouwel-Vlam (S). — (NL) Madam President, the Socialist Group goes along with the report by Mrs Squarcialupi. The Commission's proposal is aimed at increasing the transparency of the market in medicated feedingstuffs via measures which guarantee that the products in question are of a consistently high quality. This would be in the interests of both the producer and the consumer. However, I hope the Commission will be willing to modify its proposals in the light of the amendments. There are, it is true, a few points which come in for criticism, such as the granting of exemptions to the standard regulations and the Committee on the Environment, Public Health and Consumer Protection has rightly proposed an amendment. The same Committee has also proposed a number of other amendments which have the full support of my group since they all tend to strengthen the directive.

I should like to make two further points regarding the amendments I have tabled myself. Firstly, if we complain about the imports into the Community of harmful substances and dangerous products — as we have just done in the previous report by Mrs Squarcialupi — it would be hypocritical if the Community were itself to export products which are not up to scratch.

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The provisions of this directive should therefore also apply to medicated foodstuffs for export to third countries. Secondly, it is my conviction that it is not only for the national authorities to ensure the implementation of provisions contained in European directives, but that the Community itself has its part to play, particularly in the interests of credibility and with a view to reducing discrepancies in the checks which are carried out in the various Member States. I should like, on behalf of my group, to ask the Commission to indicate which of the amendments tabled to this directive the Commission finds acceptable.

Mrs Lentz-Cornette (PPE). — *(FR)* Madam President, this proposal will make the market in medicated feedingstuffs more transparent, as has already been said by a number of speakers before me. There exists a parallel market in combined veterinary medicinal products or for mixing with animal feedingstuffs. This directive aims to put an end to this practice by introducing regulations and strict controls as to the manufacture, marketing, and especially the use of medicated feedingstuffs. The abuse of these feedingstuffs in one country, whilst strict regulations are implemented in another, leads to very different conditions for animal raising, which in turn creates distortions in competition and can involve harmful effects for the consumers of these animal products.

Let us take, for example, the intensive raising of calves. On one farm they avoid every kind of infectious disease by using a feeding stuff rich in antibiotics. On another the breeder does not use it at all, or only the very minimum and only on prescription from a veterinarian; here there is naturally more risk of losing calves than in the first case.

As to the side-effects of these meats, there is no point in raising that subject again. The effects are known well enough and were described a few minutes ago. Everyone is aware that the vital interests of the producer and the consumer are at stake. This is why we are glad that only those feedingstuffs and pre-mixes of veterinary medicinal products, authorized by Community provisions, can be used in the manufacture of medicated feedingstuffs. We do not see the purpose of the exemption provided for under Article 4, and we would like to see the deletion of Article 6 of the directive which no longer provides for the use of an authorized pre-mix. This abuse is practically eliminated by the very fact that a veterinarian's prescription is obligatory

The control and monitoring of these prescriptions, and therefore of the feedingstuffs in question, are another means of restricting these practices. Furthermore, it is important that the packaging should give sufficient information as to the contents and the manufacturer, as was requested by Mrs Squarcialupi.

However, the major problem is and remains the control of the substances in use, the time required for the

medicinal product to be resorbed before the animal is slaughtered, and uniform methods of analysis. Mrs Krouwel-Vlam's proposal is very attractive, but we do not really see where or how we could introduce a European system of control at the present time.

I am in favour of it, having already proposed it at some other time myself, but I know that it would not be realistic. Nevertheless, I hope that we will be able to achieve it in the future.

We hope that the annual report on the national controls, which each Member State will compile for the Commission, will at long last enable us to have animals raised on more naturally-based feedingstuffs and also animal products which are once and for all free from any medicinal product.

The PPE Group will, of course, give its support to this directive, as modified by the amendments which the Commission has accepted in their entirety.

(Applause)

Mr Dalsager, Member of the Commission. — *(DA)* Madam President, I should like to begin by thanking Mrs Squarcialupi for the report which, I am pleased to say, represents a general backup to this Commission proposal, and for the constructive proposals for amendments to our text which the report contains.

Veterinary medicine, medicated feedingstuffs and the monitoring of residual concentrations are matters of considerable scope and complexity. The proposal regarding medicated feedingstuffs currently before us is intended as a supplement to the directive on veterinary medical products, since only feedingstuff mixes meeting the requirements of that directive may be used. The proposal deals in particular with the correct mixing, from the point of view of hygiene, of permitted ingredients and the monitoring of the production, marketing and use of such mixtures. These products can be used only on the basis of a prescription made out by a veterinarian the formula of the medicine used by him to treat the animals in question. Under the terms of the directive, penalties will be applied in the event of non-compliance with the requirements.

Since this directive is very broad in scope and provides for a wide range of penalties, it is up to the Member States to adopt implementing provisions concerning, for example, production conditions, premises, staff, equipment and the period of validity of prescriptions.

I can accept the majority of the amendments proposed by the Committee on the Environment, most of which are of a formal nature and are aimed at making the text clearer. Generally speaking, they are sensible proposals. However, two of the amendments proposed would have further-reaching consequences, i.e. Nos 1

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and 5. As far as Amendment No 1 is concerned, according to Article 4 (3) national production of medicated feedingstuffs is permitted if it takes place on the basis of a nationally approved standard prescription, but the provisions of the proposal concerning production conditions must obviously also be observed. Until there is a standard Community prescription, the Member States must be able to allow production on the basis of a standard national prescription. I should also like to make a few remarks regarding Amendment No 5. According to Article 6, medicated feedingstuffs come under the same heading as veterinary medicines and as such require authorization under Directive 81/851/EEC. The proposal might be useful in connection with medicated feedingstuffs produced using a feedingstuff mix which is not permitted. In such cases, medicated feedingstuffs would be regarded as a veterinary medical product and for this reason the Commission regards this Article as useful.

The Commission cannot accept Amendment No 11 by Mrs Krouwel-Vlam since it could well happen that third countries lay down requirements for the production of medicated feedingstuffs which are different from those laid down in our proposal.

As regards Amendment Nos 12 and 13, I can go along with the proposal to introduce Community-level checks but I should point out that if such an arrangement were to be introduced it would have certain financial implications and the Commission cannot give Parliament any assurance that a solution could be found to them. For the rest, the same priority applies in the case of a number of closely related fields, so it might be difficult to introduce the same provision again in the case of this proposal. We could make a proposal to the effect that the Commission should examine the question of introducing supervisory measures of this kind.

IN THE CHAIR: MR DANKERT*President*

Mr Chory, President in Office of the Council. — (DE) Mr President, ladies and gentlemen, after I left the Chamber for a few minutes, the rapporteur Mrs Squarcialupi, asked another question, as to how far discussions had reached in the Council on the directive: I would ask you to excuse my absence. The directive has not yet been dealt with in the Council, so that I cannot yet give any general statement on its progress.

I would like to say, however, that in the forthcoming consultations the already high standards of health protection achieved in many Member States will naturally not be jeopardized. The individual questions which are

to some extent of a very technical nature, will be examined closely in the Council working parties, and at that stage the Parliament's position will also be taken into consideration.

Mrs Squarcialupi (COM). — (IT) It is obvious that the question I put to the Council has not been properly understood. I asked for elucidation of the Directive on hormone treatment which the President of the Council himself said had been awaiting approval for at least three years: it is not clear to me what the wait is all about.

Mr Chory, President in Office of the Council. — (DE) Mrs Squarcialupi, I suspect that this is one of the directives mentioned previously in Question 49 on the use of substances, having a hormonal or thyrostatic effect on domestic animals. The investigations by the scientific Committees into the use of, e.g. Trembolon, have not yet been concluded. We can only take a decision when the results are available.

President. — The debate is closed. The vote will be taken at the next voting-time.¹

*7. Votes¹**8. Agenda*

President. — The next item is the report by Mr Collins, on behalf of the Committee on the Environment, Public Health and Consumer Protection Doc. 1-82/83),

on the proposal from the Commission to the Council (Doc. 1-192/82 — COM(82) 170 final) for a directive amending Council Directive 70/220/EEC on the approximation of the laws of the Member States relating to measures to be taken against air pollution by gases from positive-ignition engines of motor vehicles.

Mr Collins (S), rapporteur. — Mr President, in spite of that very impressive build-up, I have to say that under Rule 87(1), because of some technical difficulties of printing amendments and relaying accurate information to the House, I would like to request the House's permission to have this adjourned so that we can in the future supply the Parliament with accurate information on which they can vote properly.

¹ For the item relating to the verification of credentials, see the Minutes. For the votes taken at voting-time, see the Annex.

President. — The Chairman of the Committee on the Environment, Public Health and Consumer Protection and at the same time the rapporteur for this item asks for the adjournment of the debate because of technical problems.

Mr Alber (PPE). — (*DE*) We agree in principle but we should like to have the matter dealt with during the May part-session. The reason is that environmental problems are going to be on the agenda at the June summit. If we have not dealt with the matter in May, then Parliament is going to have absolutely no contribution to make, and that would not do our reputation much good. I would therefore urge that the matter be considered during the May part-session. It will not take up much time in the proceedings.

President. — Since no one has asked to speak against Mr Collins' request, I shall put it to the vote.

(*Parliament agreed to Mr Collins' request*)

9. Environment (ACE)

President. — The next item is the report by Mr Johnson, on behalf of the Committee on the Environment, Public Health and Consumer Protection (Doc. 1-101/83),

on the proposal from the Commission to the Council (Doc. 1-1210/82 — COM(82) 849 final) for a regulation on action by the Community relating to the environment (ACE).

The following oral questions, with debate, will included in the debate:

— by Mrs Théobald-Paoli, Mrs Pantazi, Mrs Maciocchi, Mr Loo, Mr Markopoulos, Mr Schieler, Mr Bombard, Mr Rogalla, Mr Van Minnen, Mr Percheron, Mr Linkohr, Mr Schmid and Mr Veronesi, to the Commission: (Doc. 1-1277/82)

Subject: Commission plans for the protection of forests in the Community

According to press reports, the Commission is preparing to release one or more plans in February concerning the protection of forests in Europe.

Can the Commission state what practical measures it intends to take to protect forestry?

More specifically, can it state

- what connection these plans will have with Regulation 269/79;
- whether emphasis will be laid on the protection of the Mediterranean forests so severely damaged by fire last summer;

— the scale of measures to promote reafforestation and the timber trade?

Do the new measures take full account of the resolution calling for emergency aid for the Mediterranean forests (Eyraud-Théobald-Paoli resolution) adopted by the European Parliament on 15 October last or provide for a programme such as that called for in motion for a resolution No 1-517/82 by Mrs Théobald-Paoli on the protection of Mediterranean forests?

— by Mrs von Alemann and others, on behalf of the Liberal and Democratic Group, to the Commission (Doc. 1-1285/82):

Subject: The destruction of forests

1. Is the Commission aware that acid rain is one of the causes of the destruction of forests, and does it not therefore believe that the authorized limits for sulphur dioxide (SO₂) should be reduced to 50 microgrammes/m³?

2. Has the Commission already made, or does it intend to make, recommendations to the Member States with a view to promoting a coordinated effort of research into the causes of the destruction of forests and the measures already taken or which need to be taken?

3. Does the Commission intend to conduct a study in order to determine the measures to be taken at Community level regarding the construction of power-stations, domestic heating systems and a reduction in motor-vehicle exhaust gases?

4. Does the Commission intend to devise a European programme to combat atmospheric pollution, including in particular a revision of emission limits at European level?

5. Could the Commission also evaluate the cost of the actions taken to combat acid rain and the other factors responsible for the destruction of forests?

Mr Johnson (ED), rapporteur. — Mr President, the Community has had an environmental policy since October 1972, when the Heads of State of the six — as they were then — countries of the Community decided we should have one. They decided at the same time that that the Community should have a regional policy and a social policy.

The environmental policy has been fairly active, but it has been based essentially over these last ten years on legislative measures — directives, recommendations, regulations and so forth. When we had the first direct elections to this Parliament in June 1979, the Committee on the Environment, Public Health and Consumer Protection and then the Parliament itself subsequently decided it would press for the creation of an environmental fund. We have had over the years, Mr

Johnson

President, several milestones signifying the Parliament's intention in this respect.

I refer in particular to the report by Mr Alber (he is still here), the report by Mr Hume on coastal erosion, the guidelines by my honourable colleague Robert Jackson, who sits next to me, on the guidelines for the 1982 budget. All these reports, all these resolutions adopted by the Parliament pressed the Commission to come forward finally with a proposal for an environmental fund, a source of Community finance for the environment to set alongside the regulations and the directives which had already been adopted — all 60 of them. This, Mr President, is at last what we have today. It is another example, if I may say so, of the Parliament calling on the Commission to do something, the Commission heeding that call, coming forward with the draft regulation so that we now face the possibility on June 16 this year, when the Environment Council meets, of the Council itself being able to approve an environment fund.

Now, let me make myself quite clear, Mr President. I happen to stand here as the rapporteur. I happen to be a European Democrat. But this is an all-party affair. By that I mean it has the support of all sections of this House — to make myself really clear — and it is nice to know that there are still so many people around today to listen to me say this.

I want in particular to give credit to Hemmo Muntingh. Many people groan at the mention of Mr Muntingh's name, but it is not right, because he has done a signal service to this Parliament in consistently pressing for environmental measures. I applaud his colleagues in other parts of this House too.

So we have a proposal. What does the proposal consist of? It is a two-pronged proposal, Mr President. One prong relates to the protection of nature, the creation of proper sites, or habitats, to protect both fauna and flora. There are certain things which happen which are irreversible in this world, and the disappearance of species is one of them. We treat this too lightly, but it happens. We are concerned now that the Community, acting as a Community, should seek to protect (and I am going to use a technical word for the benefit of my colleagues) those biotopes, those species, which are of importance on a European basis.

We have heard a lot in this Parliament in recent months about Irish bogs. We have heard about the pristine forests along the Rhine. There are very few of them left, but they still need to be supported. There are applicant countries to the Community — Spain and Portugal — which contain within their boundaries areas absolutely crucial for the protection of wild life.

So the first prong of this proposal — I know it is a modest proposal, I can tell you that — relates to the protection of nature, nature sites, conservation and habitats of European interest.

One aspect of it is nature conservation, the other relates to the promotion of low or non-polluting technology — so-called clean technology. This morning we had a classic example, the debate on Seveso. It is fine to deal with prevention. Prevention is the most important aspect, and if you have clean technology, low-polluting technology, you have a real chance of achieving prevention.

So the second prong of the proposal is that the Community should use money now to offer inducement to industries all over the Community to come forward with proposals for clean technology which they consider to be deserving of Community support.

I commend this proposal to the House. Above all, I commend it to the Council on June 16. I ask your forgiveness for being 15 seconds over time.

(Applause)

Mr Muntingh (S). — *(NL)* Mr President, ladies and gentlemen, I should like to begin by for once — just once — complimenting the Commission on this proposal for a regulation. The Commission has strongly supported the idea of an environmental fund ever since 1980, when the Socialist Group tabled an amendment proposing the introduction for four budget items for an 'Environmental fund', and throughout the subsequent period, during which my Group has endeavoured to put these budgetary items into practice (and has, incidentally, also had to expend a good deal of missionary zeal on the Christian-Democratic Group and used all its powers of persuasion on the Members of the European Democratic Group).

I should also like to compliment Mr Johnson, who had such kind words to say about me. He too has had an uphill task over the years to see that something became of this regulation.

(Applause)

And we are very pleased with his report. Our thanks are also due to the members of the Committee on the Environment, Public Health and Consumer Protection for their enthusiastic support over the past in their somewhat reluctant groups for the environmental fund.

Mr President, the Socialist Group feels that the regulation before us now could be a major breakthrough in European environmental policy. It could act as a catalyst in channeling investment in the direction of non-polluting technology and jobs — and no-one would deny that we are in urgent need of jobs at the moment. And it could also give us the chance to clean up our unbelievably polluted Europe, our worked-out Community. It would, for instance, give us the chance to take more rigorous measures against the acid rain

Muntingh

which is eating away at our forests, our lakes, our buildings, our monuments, our libraries and our health. It would give us the chance to clean up our filthy, polluted rivers and our chemical-ridden soils. And, as Stanley Johnson rightly said, we should at the same time be helping our flora and fauna to survive. We could, for instance, set up a network of major international biogenetic reserves for migratory species. We could save the last remaining Irish bogs. We could save the international Wadden Sea and increase the chances of survival of virtually extinct European species of mammals like the brown bear, the wolf, the capercaillie, the black grouse and — last but by no means least — that magnificent marine mammal the monk seal.

As I said earlier, Mr President, this regulation perhaps ushers in a new era of environmental policy in Europe. The initiative for this regulation stems quite deliberately from this House; in fact — and here I can fully endorse what Mr Johnson had to say — the whole House, including all the parties represented here. As such, it is evident that this House, and in particular the Socialist Group, is prepared to accept its responsibility on environmental issues, despite all the noisy rhetoric emanating from the ecological parties. This attitude proves that we can make progress on an effective environmental policy even without the 'green' parties. But, Mr President, this will only be possible if the Council, that repository of hidebound nationalism, gives its approval to this regulation in the near future and thus abandons its past unwillingness to set up an environmental fund. Another condition is that the Council and Parliament must together make adequate financial resources available for the two budgetary items. On this point, I should like to address an appeal to members of the other groups who have in the past tended to let things go by default and who have not exactly been overgenerous with the budgetary resources.

Mr President, I should like to conclude by saying that, if we get this environmental fund, and if we are allocated budgetary resources, the Commission will have plenty of work to do, and will of course have to have the staff it needs. Time and time again in this House, we have called for an increase in the staffing levels of Directorate-General XI. Mr Narjes said this morning — and what I am saying is not aimed at him personally, so I hope he will forgive me — during the debate on the Seveso Directive that the Commission could only undertake certain tasks if it had adequate staff available. Mr President, umpteen times in the past, this House has called for additional posts to be made available in DG XI. But whenever it came to allocating the posts among the various Directorates-General, the Commission always claimed that, as an autonomous institution, it could decide on the allocation of posts. Experience has shown, though, that the extra staff were not allocated to DG XI.

Finally, Mr President, allow me — through you — to ask Mr Narjes whether he will be calling on the Mem-

ber of the Commission responsible for DG XI to put his foot down in the Commission at long last and ensure that the new officials are indeed allocated to DG XI. I am gradually getting a bit fed up with the Member of the Commission claiming in this House — both in the debates and in reply to written questions — and in the Committee meetings that the Commission is unable to do this or that because it does not have the requisite staff. It is gradually dawning on me that this state of affairs is not the fault of the European Parliament. I would therefore urge you, Mr Narjes, to ask the Member of the Commission who is responsible for this matter — something which it should be easy enough for you to do as you know who I mean — to stand up for his rights in the Commission and say right out that he needs at least 25 more officials to enable him to administer the environmental fund. That is all I have to say, Mr President.

Mr Ghergo (PPE). — *(IT)* Mr President, ladies and gentlemen, through the regulation in question the Commission seeks to create a Community instrument to make possible financial aid for two types of priority action in the environmental sector:

1. the development of clean technologies causing little or no pollution and which are more economical of natural resources, particularly raw materials;
2. the protection of the natural environment in some areas of particular Community interest.

One point of immediate and considerable importance to be stressed in the Commission proposal is that it to some extent accepts the principle — stated by the European Parliament in its own guidelines for the 1983 budget — of the interdependence of the various policies and the consequent need for every sectoral policy to be accompanied by an assessment of its environmental impact. This regulation also constitutes an initial response to the request by the Committee on the Environment that regulations be issued which would make possible specific measures in the environmental sector. The Commission stresses that environment policy must take account of the qualitative aspects in the planning and organization of economic and social development. This is still a vague formulation of limited scope, but it is a step in the right direction. Similarly, the Commission is right to stress the need to go beyond the essentially corrective policy followed up to now — which alleviate to reduce the most serious pollution after the event — and replace it with a policy of prevention, aimed at incorporating the environmental aspect in decision-making processes prior to any initiatives which may have effects on the environment, and to achieve this incorporation by means of practical supporting and accompanying measures.

This correct and praiseworthy approach is subsequently confirmed, when it is stated that environmental policy has become an essential element both of

Ghergo

economic policy in general and of the various sectoral policies. The measures proposed by the regulation in question are undoubtedly very important aspects, and the regulation should therefore be supported and approved, as the rapporteur, Mr Johnson, proposes. It is worth mentioning Article 9, which specifies the information to be given on the projects. In particular, it is worth citing the requirement for information on 'how it is proposed to disseminate the results of the project', since the practical utility of the projects is increased by the dissemination of their results. Another rule to be stressed, for the importance of the principle which it introduces, is that laid down in Article 8, Paragraph 2, which provides for financial aid for expenditure intended to compensate for restrictions on economic activities which may be imposed in some areas in order to safeguard habitats of Community interest.

Although timid and limited in relation to the general principles invoked, the proposed measures constitute a specific implementation of the third action programme on the environment, recently approved by Parliament, and a practical expression of the Commission's attitude to environmental problems. It is to be hoped that other regulations will soon follow, covering the other points of Article 661 which could not be included in the present regulation. Indeed, it must be stressed once more that the implementation of an environmental policy presupposes a real strategy, suitable, among other things, for giving a common 'European' base to all the measures taken at the national level. For example, the proposal to grant aids to public authorities or other bodies recognized by them is all well and good, but it would then be necessary to complete the measure by suggesting joint guidelines in order to apply a more homogeneous approach to local initiatives. I would also like to point out that the planning of financial resources for given measures is naturally based on the logic of the principle that 'the polluter pays', both because there are forms of pollution for which a specific and quantifiable responsibility cannot be established, and because compliance with the legislative measures which the Community has taken in implementation of the three action programmes approved over 10 years could impose burdens which are difficult to bear on Member States with weaker economies.

This applies above all to countries which have recently acceded or are about to accede. That said, I would like to devote the short time left for my speech to explaining the two amendments to the regulation which I have proposed on behalf of my group. The first calls for the deletion of Article 6, which provides that, in the event of commercial exploitation of the results of a project, the Commission may request repayment of its financial contribution in accordance with procedures to be laid down in the contract. Now, two eventualities may arise:

1. that subsequent to either the design or the implementation stage, a possibility of com-

mercial exploitation is identified which does not in any way modify or diminish the main aim of the project;

2. that the possibility of commercial exploitation is foreseen from the outset and is a natural consequence of the process envisaged by the project. In both cases the article in question appears to be irrationally restrictive. It is important that the Commission, when examining requests, should establish that the aim of the project is not commercial, notwithstanding that where there exists or emerges a possibility of subsidiary, complementary and naturally ancillary commercial exploitation, this must not constitute grounds for disqualification. Moreover, Article 6 conflicts with the spirit and the letter of Article 4. For this reason we have asked for Article 6 to be deleted.

The other amendment calls for the addition of an Article 5 bis, containing the same provision for Title I as that provided for Title II in Article 11 — that the Commission, after consulting the Advisory Committee, shall examine the applications submitted for financial support. Finally, I would like to recommend to the Commission that Article 5 be worded more clearly. Subject to the changes proposed, I would like to express my group's approval of the regulation and of the report by Mr Johnson, who has carried out his work with great skill and with the enthusiasm which never fails him when he is dealing with environmental problems. I therefore thank him wholeheartedly.

(Applause)

Mrs von Alemann (L). — *(DE)* Mr President, the ways of the Bureau, which is responsible for drawing up the agenda, are indeed unfathomable. I really cannot understand why our oral question on the destruction of forests should belong to this part — which undoubtedly also covers measures to do with the protection of the environment — rather than be included in another point on the agenda for a later part-session after we have had a chance to think over the results of the hearing on acid rain which is due to be held next week in Brussels. Nonetheless, we must take every opportunity going to discuss issues to do with the environment and environmental pollution, so I too shall take this opportunity today to make a few brief remarks.

To begin with, I should like to state — before I forget to do so in the heat of the battle to get rid of acid rain once and for all — that my group is in favour of this regulation and welcomes the Johnson report. We are pleased that this report will enable us to take another step towards setting up, on behalf of the Community, a joint policy on the protection of the environment which, as we all know, is so urgently necessary. This oral question on the destruction of forests, which I

von Alemann

tabled on behalf of my group a few weeks ago, shows quite dramatically how a problem can suddenly enter into the realm of public awareness and all of a sudden — at least in my own country — have a major impact.

The full impact has been felt by the Scandinavians for years now, ever since they discovered that their lakes had become so acidic that no fish could live there. The same kind of impact is being felt in all the countries in which trees are dying, plants are failing to thrive and the natural fauna is in danger — I believe that public opinion has now come to the point of realising that what we need here are European, rather than just national, countermeasures.

It is fortunate that the Geneva Convention came into force this March, and there is a question I should like to put to the Member of the Commission on this point. The Scandinavian countries have called for a number of additional measures to be taken, and I should like to know exactly what measures they have in mind. So far, I have only read press reports. Has the Commission already decided what steps it should take regarding this list of proposed measures? Is the Commission for or against?

The Community is playing an increasingly positive role in the protection of the environment, and we are pleased that the idea is now not only to get certain projects and activities under way, but also to ensure that a modest fund continues to be available for these purposes. I believe that these measures can genuinely set in motion the kind of thing we need so urgently if we are to prevent our forests from being destroyed. What it boils down to is whether we are willing to stump up the cash needed to make good the damage which is being caused largely by our industrial production methods. As we all know, the 'polluter pays' principle — however neat it may sound — probably cannot be applied to such a complex problem as environmental pollution without help from the public authorities, however regrettable a state of affairs this may be.

Bearing in mind the point made by Mr McNeal of the OECD in 1981 that a reduction of only 50% in the level of sulphur dioxide emissions would even then have cost 4 500 million dollars each year, you can imagine the scale of the task facing us. It is up to the Community too to help solve the financial problem, and there are a number of options available to us. It is unlikely that small and medium-sized undertakings alone will be able to have access to all the requisite modern technology. It will be difficult to persuade the owners of individual heating systems to join in a district heating scheme, although that is the kind of thing we need if we are to reduce the level of air pollution. Here again, it is up to someone to give a lead. Someone must take the initiative in getting the public authorities at local and central government level to make a start and give that lead.

I read in today's paper that the city of Munich has changed all its official cars, vans and lorries to run on lead-free petrol. So you can see — things like that can be done at a stroke. Only a short time ago, people were saying that that kind of thing was quite impossible and, from the technical point of view, virtually out of the question. Then all of a sudden, a city like Munich takes the lead, and it is seen to be possible after all. That is surely proof that the pressure of public opinion can help in the long run to bring about a quicker solution to the outstanding problems.

Of course, the research projects — which, incidentally, are in need of coordination — will still have to be subsidized. We heard something on that point earlier this spring, and we welcome what was said on that occasion.

Without going into all the details on what could be done, I should like to say that I expect the Commission to continue along its promising path and in particular to persuade the Council to take actual decisions at its conference in June, rather than just issuing declarations.

I think we should also bear in mind that this is not just a European but an international problem, and that it is essential that we take the point up with the countries from behind the iron curtain too. After all, we know that the GDR is running low on low-sulphur lignite and is turning increasingly to highly sulphurous types of lignite, with the inevitable result that air pollution will increase accordingly. Here too, something must be done, and contact must be made with the authorities there. This is a subject which is of concern to all of us, and I hope that the Commission will find ways of enabling us to make genuine progress on the issue.

Mr Eisma (NI). — (NL) Mr President, we are delighted at the initiative taken by the Commission with a view to making funds available for two kinds of environmental projects, to wit the development of clean technologies and the protection of the environment in sensitive areas. We regard this as just the first step leading to the creation of a *bona fide* European Environmental Fund, from which in the future many more types of projects of environmental importance can be financed, and which will provide a foundation for a genuine European environmental policy.

We would, however, draw your attention to the remarks made by the European environmental bureau on 25 March, with which we fully associate ourselves. It is a fact that the Community has a number of other funds which provide finance for projects which are in fact detrimental to the environment. It would make sense to modify these projects to make them environmentally more acceptable and to finance them from this fund — that is to say, the fund we are discussing here now. We must also bear in mind the fact that some countries receive no aid for things they are

Eisma

required to do by virtue of other directives — and I am thinking here particularly of the bird protection directive.

The private institutions concerned with the protection of nature and the environment do not come off well in the Commission's proposal. Indeed, not even their very existence is acknowledged, and I should like to ask the Member of the Commission whether he could not give some consideration to appointing to the advisory committee one or more representatives of the nature and environmental conservation organizations — especially the private organizations.

Finally, I should like to highlight once again the enormous importance of education in making people more conscious of their environment. Educational projects should also come under the aegis of this regulation. In a nutshell, while there are a number of criticisms to be made of this proposal, we think it represents a good starting point for a general environmental policy some time in the future.

IN THE CHAIR: MR PFLIMLIN

Vice-President

Mrs Pantazi (S). — (GR) Mr President, Mr Johnson's report, which proposes the creation of a European Environment Fund, constitutes an important step towards the future solution of environmental problems and therefore has our full agreement. Undoubtedly, however, we must stress the fact that the credits allocated by the Commission are insufficient and it is clear that they will not satisfy all the demands. Community policy on protection of the environment must be directed more towards improving the quality of life and protecting the natural world. All the efforts hitherto have been mainly of a legislative kind. Nevertheless, it has been amply demonstrated that legal provisions, regulations and guidelines are not enough to implement an effectively dynamic policy on the protection of the environment, unless they are accompanied by positive financial stimuli and investment programmes in this sector.

We therefore think that Community actions will have to be based on the idea of setting up a European Environment Fund, called for in the past by Parliament — a fund which will undertake not only the financing of specific projects according to an order of priority, but also back up the entire environment policy of the Community, contributing to the best possible balance among the various policies of the Community, providing technical assistance where it is needed and undertaking positive action with a view to informing the public about, and increasing its awareness of environ-

mental problems. Public participation can play a decisive rôle in ensuring the complete and dynamic implementation of an environment policy.

In conclusion, Mr President, I would like to stress the fact that the worldwide economic crisis must not be made a pretext for reducing funds allocated to the environment, but on the contrary a reason for a change in the productive system and for the furthering of ecological causes.

Mr Protopapadakis (EPP). — (GR) Mr President, the protection of the environment in sensitive areas to which the regulation we are debating today refers, is a question which is as sensitive as those areas themselves. Indeed, ecologists often call for the implementation of measures to protect the environment which result in decline and economic disaster for the local population. Such measures prohibit the inhabitants of those regions from repairing their houses or building small stables for their scarcely adequate herds of animals, or from changing their occupation. We find examples of this in many Greek islands, and many other areas of Greece. The consequence of this illogical policy on environmental protection is that the local population leaves these sensitive areas, migrates to the cities and creates 'ghettos' living under unhealthy conditions. Thus on the one hand the sensitive areas are left in a state of neglect, and on the other the unpleasant environment of the cities becomes worse. Of course, the ecologists who have proposed such measures are satisfied because they and their friends who are tired of the cities, the inhabited countryside and the tourist areas, because they had enough money to visit them many times, now find in unpopulated nature a way of resting their tired spirits. But that is not environmental protection, it is satisfaction for the neurotic rich. Let the Commission bear this in mind. The protection of sensitive areas is essential, but it must begin with the protection of the local population and of its economic development so that it becomes a good guardian of the environment once its material needs are satisfied, for the philosophy of environmental protection is the philosophy of a man with a full stomach.

Mrs Théobald-Paoli (S). — (FR) Mr President, ladies and gentlemen, of all the Community measures in favour of the environment, those concerning forests seem to me to be the most urgent. The forests of Europe are suffering, and in some cases they are dying. In Northern Europe age-old forests are being inexorably destroyed by acid rain. In the South, persistent drought causes blazing infernos which destroy thousands of conifers in a few hours. By way of example, the Department of the Var alone lost more than 20 000 hectares last summer, that is to say, twice as much as the previous year. Now, I am sure that no one here is unaware that forests constitute an undeniable source of ecological wealth for the Community. The disappearance of forests would have incalculable con-

Théobald-Paoli

sequences for man and the earth's climate, not to mention wildlife, which we have already discussed. What is more, forests represent a precious source of potential economic wealth which is often inadequately exploited.

The government of my country is aware of this problem and it has just decided to set up a government department specially responsible for the problem of forests. The importance of forests transcends frontiers, as indeed does the interest, and even the love, which people feel for them. This is something on which there is unanimous agreement throughout the regions of the Community.

For my part, I first sounded the alarm on 9 July last year, when I called for an emergency Community plan to save the Mediterranean forests. Unfortunately — and what happened subsequently proved me right — what I wanted to do was to organize measures to fight and control forest fires, using the vast resources available to ten Member States with a total population of 270 million persons.

In October Parliament adopted a resolution along these lines calling for the implementation of these emergency measures. Since then the European Commission has been developing overall plans for the protection of European forests.

I, as a representative of a Mediterranean region, along with the twelve other Members of this House from regions throughout the Community who have agreed to submit this oral question along with me, now call upon the Commission to inform Parliament of the contents of the various plans which are being examined at this moment.

If we are to provide efficient protection for forests in the Mediterranean region we must make an immediate 25% increase in the appropriations allocated to the prevention of forest fires under the terms of Regulation No 269 of 1979.

A system of intra-Community aid should be organized as from next summer, so that, in the event of a serious forest fire in a Member State of the Community, the modern equipment and techniques available in the other Member States can be immediately mobilized. Serious measures in favour of re-forestation and the development of the forestry sector are also desirable, from the production stage to the marketing stage, particularly as regards Mediterranean trees, which often have greater aesthetic qualities and are very solid and workable.

Finally, along with individual measures, a vast programme should be set up, as a matter of urgency, to combat the pollution caused by a number of industries. I would have been very glad to sign the oral question which was tabled by Mrs von Alemann.

I urgently call upon the Commission and the Council to adopt as soon as possible — if possible before the summer — those measures needed to prevent a recurrence of a natural catastrophe comparable to what happened in 1982, particularly in the forests of the Mediterranean region.

Mrs Schleicher (PPE). — (DE) Mr President, ladies and gentlemen, as part of this joint debate, I should like to put forward the opinion of the Group of the European People's Party on Mrs von Alemann's motion for a resolution on the destruction of forests, which is in fact all grist to our own mill. After all, the European Parliament did not suddenly become interested in this subject when it became a public hot potato. We were involved much earlier. In fact, the entire Group of the European People's Party, lead by Mr Mertens, tabled a motion for a resolution on 10 May 1982, calling on the Commission to take action immediately regarding emissions and imissions of airborne pollutants, with particular reference to the levels of sulphur dioxide and heavy metals, which require a joint solution at Community level. It is essential that research on this subject should be given a boost, which is why our committee has proposed that the next step — again at the suggestion of the EPP Group — should be to arrange a hearing to give us at long last the basic material we need to enable Parliament to come up with specific proposals on this issue. We are very pleased that this hearing will now be taking place in Brussels on Tuesday and Wednesday, 19 and 20 April.

As long ago as 1981, I received an answer from the Commission to the effect that widely varying laws apply to airborne pollutants in the European Community, and that rigid maximum values had been laid down so far only in the Federal Republic of Germany.

In reply to the question I asked at the time, the Commission agreed to supply Parliament by the end of 1982 with details of the current state of legislation on this subject in the Community. The Commission has so far failed to meet its promise. We would be very grateful if the requisite information were to be forthcoming in the very near future, as the committee will be discussing — in connection with the hearing — what proposals Parliament should be formulating on the subject of air pollution, with special reference to acid rain.

We are therefore expecting the hearing next Tuesday to come up with some results, and we are pleased that, not only will the Commission be making its contribution, but also that the Council Presidency has agreed to take part at a meeting at which Parliament can show that it is fully *au fait* with the subject.

Mr Narjes, Member of the Commission. — (DE) Ladies and gentlemen, we are now nearing the

Narjes

end of a highly revealing and stimulating debate on two subjects which have been lumped together somewhat arbitrarily, and I should like to deal with them separately.

Beginning with Mr Johnson's report, I can only say that so many congratulatory bouquets have been handed out that I feel somewhat loath to add mine too. After all, were I to do so, I should be suspected of contravening the principle of conservation of our flora. Nonetheless, I should like to express my heartfelt thanks to the whole House for its willingness to discuss the Commission's proposed regulation at such short notice and to place the debate on today's agenda. That is a vital fact, in that the House has, in so doing, complied fully with the deadlines laid down in the tripartite discussions of 28 June 1982.

In view of the fact that the Economic and Social Committee plans to table its opinion in May, the Council is now formally in a position to reach its decision by the end of May, in other words by the deadline laid down in the final section of the tripartite agreement. While it is true that the Council of Environment Ministers is not due to meet until 16 June, I trust that no-one will have any basic objection to the Council overrunning the 31 May deadline by a mere two weeks.

I am far more concerned about whether the Council will in fact give its approval on 16 June. As you know, a number of Member States are by no means convinced of the need for the measures which have been advocated so emphatically in today's debate. An overwhelming vote of approval for the regulation on the part of this House would at any rate play an important part — indeed, is an indispensable element — in getting the Council to give its approval. And let us not forget that the European Parliament has for a long time — as has been brought out again in today's debate — advocated the creation of special Community financial instruments for specific environmental purposes. Let us never forget that it is only by acting in concert that we can achieve anything; rivalry is a sure recipe for failure.

So it is in this spirit that I would like to address a special word of thanks to Mr Johnson, the rapporteur, for an excellent report which, in precisely and succinctly formulated terms and with great conviction, supports our proposal.

I think this gives me the chance to say to Mr Muntingh that, if it would help matters for me to put my foot down, I should be quite happy to do so for as long as it took to get the necessary staff for Directorate-General XI. The problem, though, is a much more serious one. The fact is that, for years now, the Commission's staffing requirements have been systematically and methodically — and I would stress those points — hampered so as to make it more difficult for us to take the initiative, and that is true of all the sections of the Commission. As you know, I am in charge

of five separate aspects of the Commission's work, both administratively and politically, and in none of those areas am I able to do what I think is my European duty, precisely because staffing levels are inadequate. This is true of the internal market, radiation protection, consumer protection, innovation, environmental protection and all the other policy sectors.

If the Commission, in a moment of desperation, makes use of its autonomous rights, it is only, fire brigade-like, to plug the most gaping holes, in areas like the proper control of the Community's expenditure and finances. As our various funds gradually increase, we are faced with not inconsiderable control and watchdog functions — if we are to take our responsibilities seriously, that is. I should be very pleased if this House, with the backing of its specialist committees, were to persuade the House's own Committee on Budgets to modify its policy along the lines I have just sketched out.

Returning to Mr Johnson's report, you will see that the Commission's proposal is, pursuant to the tripartite agreement, confined to two areas of activity, to wit the support and development of non-polluting technologies and the protection of the natural environment in certain sensitive areas of Community interest, although the 1982 and 1983 budgets provide for a total of four new items. The Commission deliberately decided to impose these restrictions so as to concentrate on the two specific areas of activity and thus improve the fund's chances of acceptance.

There is undoubtedly a certain degree of parallelism between the other two budget items — the implementation of Community law and employment measures — whose aims accord to a certain extent with those of the Regional Fund, the Social Fund and other such existing Community instruments. The Commission has for the time being postponed its decision on whether the field of coverage of the other new budget items should be so wide as to require additional legal authority pursuant to the tripartite agreement. What we decide on finally will depend on what happens during this budgetary year and the one to come.

Another general comment I should like to make is that, in the light of the limited budgetary resources available for the coming years, the Commission has decided to keep its administrative structure as simple as possible. We have thus decided, on the basis of the information available to us, that a rational allocation of resources is perfectly feasible with the assistance of just *ad hoc* consultative committees.

On a point of terminology, I gather that a lot of Members were disappointed that the Commission did not use the expression 'European Environmental Fund'. This was for the very good reason that we wanted to make sure that this expression did not give rise among the public at large to excessively high hopes, and among the governments of the Member States to

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exaggerated fears at this particular moment in time. Initial reactions from certain national governments have already shown that we were right to hide our light under a bushel. Whereas some governments have pledged their unstinting support for the Commission's proposal and even gone so far as to call it inadequate, others have made no bones about the fact that they intend to treat it with a great deal of caution, for both financial and institutional reasons. Over the coming weeks, the Commission will be sparing no effort to ensure that these fears are allayed by 16 June.

I should like to reply very briefly to a few of the comments which have been made on our proposal in the course of this debate. I would draw Mr Eisma's attention to Article 9, which sets out our view of the problems raised by him. I should also like to draw Mr Protopapadakis's attention to Article 8(2), which provides for certain precautions for sensitive areas, which I think will go some way towards allaying his fears.

I rather doubt whether I can share Mrs Théobald-Paoli's great hopes of this fund, but perhaps she is thinking of the Commission's integrated Mediterranean programmes, which are now in preparation and which will of course include such topics as afforestation. The Committee on Regional Policy and Regional Planning will probably have to discuss this matter separately.

I am afraid I am going to have to disappoint Mr Ghergo, as I cannot possibly go along with his proposal to delete Article 6. Article 6 is in effect an enabling clause designed to give us the necessary flexibility to react to abuses or unforeseen use of the funds. The room for manoeuvre available to us under this provision of course also gives us the chance to bear in mind the reservations expressed by him. I would therefore prefer to retain Article 6 and make our judgements in the light of his reservations. At any rate, we could not possibly go along with simply deleting the whole article.

Moving on to Mrs von Alemann's oral question, I think the subject of acid rain probably deserves more thorough debate, and so as not to give rise to any misunderstandings I should like to answer this question in rather more detail.

First of all, we have the question of authorized limits. The Commission is acquainted with all the environmental damage which appears to have been caused by 'acid rain'. Apart from the damage to forests normally referred to in this context, I would also mention the adverse effects of acid rain on waterways, soil and — in particular — buildings. In other words, what we have here is not a specifically agricultural and rural problem.

For a number of years now, we have been trying to make some headway on this complex problem. For instance, Council Directive No 779 of July 1980 on air

quality limit values and guide values for sulphur dioxide and suspended particulates set the limit value for the protection of human health at 80/120 microgrammes SO₂ per m³ as an annual average.

Recent investigations into the probable limit values needed for the protection of certain plant species indicate an exposure limit in the range 20-100 microgrammes per m³.

In other words, the limit of 50 microgrammes per m³ mentioned in the question calls, in our view, for a certain degree of flexibility in terms of interpretation to ensure that all plant species are given adequate protection. Nor should we forget that SO₂ brought in from outside can ruin even the most costly efforts undertaken by Member States of the Community. The acid rain problem is an international one with worldwide ramifications.

Perhaps I may take this opportunity to say to Mrs von Alemann that I would certainly have reservations about linking the 'polluter pays' principle from the word go with any hopes for public subsidies, bearing in mind the situation of public finances in all the Member States of the Community and bearing in mind the natural behaviour of those who are and are bound to remain the culprits in cutting back on their own efforts as soon as there is any talk anywhere about the possibility of public subsidies. By giving the wrong kind of signals, we might prevent what is possible because a polluter hoping for state intervention might be tempted at least to slow down his own efforts. That is all I wanted to say on this matter. We should be wary of arousing hopes and expectations of state intervention at too early a stage, because I have my doubts as to whether governments would be in a position to fulfil those expectations.

As regards your question on the measures taken by the Scandinavian countries, I would indeed think it the most appropriate course of action to submit the Scandinavian governments' paper to the committee in question. After all, it is, generally speaking, in line with the Community's own environmental policy. I would prefer not to comment in detail on the limit values expressed therein. We are involved in discussions with Scandinavian countries, and I think it vital that we should retain our full room for manoeuvre in deciding whether or not to associate ourselves with their demands in terms of both limit values and general aims, or whether we should come up with our own results, bearing in mind of course the outcome of the hearing and this year's series of scientific conferences. I should like to point out at this juncture that the Commission has decided to hold a kind of 'conference of conferences' in September, in view of the fact that, since last July, we have had a never-ending stream of seminars, conferences and congresses on the subject of air pollution, and there is at the moment an undeniable need for the results of all these gatherings to be collated in the light of research requirements, solid results

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and the avoidance of duplication. On the other side of the coin, we must make sure that no gaps are left in our research and development effort just because someone is trying to palm that particular area off on someone else.

One of the more major conferences due to take place over the coming weeks is the one being organized by the European forestry commissions in Geneva, and we shall be awaiting the result of that conference with interest. To answer your question about concrete measures, the Commission has confirmed its intention, within the framework of the third action programme, to strengthen the clean air policy in the Community, and to introduce additional air quality standards and emission norms for fixed installations. We are also making rapid progress on further reductions in the motor vehicle norms. We therefore anticipate the submission of a comprehensive interim report for the Council of Environment Ministers meeting on 16 June, following on from our global nuisances campaign, which I am sure you will all be acquainted with. We also forwarded to the Council a few days ago a first proposal for restricting emissions from fixed industrial installations, and we have already started preparatory work on restricting emissions from large-scale furnace installations. This work has been delayed somewhat, and I would beg your indulgence for the fact that we have been unable to comply with the 31 December 1982 deadline. I hope that, by the end of April at the latest, we shall be able to complete the work which should have been completed at the end of last year.

As regards the cost element, the Commission will of course be assessing the cost-benefit aspect of the proposed measures. As regards destruction of forests, I should like to point out that the countries concerned themselves estimate the annual damage — by a variety of methods — at some 100 million ECU.

As regards the oral question tabled by Mrs Théobald-Paoli and others, I should like to say that the Commission is currently working on a variety of specific measures in the forestry sector with a view to achieving the general aim I described earlier. I would prefer not to go into more detail on this point. I think it would be more appropriate if I were to write you a letter on this point, which could then perhaps be passed on to those members of the Committee who are interested in the matter. Finally, I would make the point that what we are faced with here in the forestry sector is a top-priority problem of environmental policy and European environmental management. We are well aware that, particularly in the Mediterranean regions, we shall be judged by whether or not we succeed in preventing the damage which is passed on from generation to generation and bring about a change in a trend which is several centuries old.

(Applause)

President. — The debate is closed. The motion for a resolution will be put to the vote at the next voting time.

10. Organ transplants

President. — The next item is the report (Doc. 1-94/83), drawn up by Mr Del Duca on behalf of the Committee on the Environment, Public Health and Consumer Protection, on organ transplants.

Mr Del Duca (PPE), rapporteur. — (IT) Mr President, from the medical point of view a state of physical well-being is that particular condition in which we are not aware of the presence of any part of our bodies. In other words, we are only aware of the presence of our bodily organs when we feel pain in them. Parliament is in excellent health and our hope is that it will always continue to enjoy such a state of well-being. But the cry of pain uttered by a sick man, by someone in need of care, by someone condemned, in some cases, to a premature death, calls us back to a reality of suffering which does not simply concern us doctors, but concerns the whole of this Parliament, which feels and which experiences the existence of these sick persons as the obvious presence of a part of the Community which we represent: in this case, the most needy part.

The progress of medicine has brought with it innumerable advantages for mankind. Doctors do not fight Nature — they collaborate with her. Nature herself helps in curing the patient. There are some cases where the progress we have made is still not sufficient for us to adopt this approach, in which case we resort to surgery. Surgery is a branch of medicine which has always aroused enthusiasm, but I should say that it really becomes thrilling when one enters the field of organ transplants. The most recent statistics available — which are certain to be out of date by now — mention 452 heart transplants, 37 lung transplants, 430 liver transplants and 102 pancreas transplants. But the field where surgery really exceeds all expectations is the field of kidney transplants: more than 60 000 transplants have been carried out throughout the world. Innumerable cornea transplants have been carried out. But surgery of this kind also extends to bone marrow transplants, to deficiencies in the body's immune system and to aplastic anaemia and leukaemia, with a good percentage of cures or improvements.

Now, ladies and gentlemen, what we must do is provide further opportunities for patients of this kind to be operated on: you cannot even imagine how many and what kinds of needy cases are still to be dealt with, even today. Just to give you some idea of the problem, let me say that in one region of Italy alone, Piedmont, there are 1 350 patients in need of kidney dialysis treatment, whereas the maximum number of transplants that can be carried out at the Ospedale delle

Del Duca

Mulinette in Turin is 50 a year.

I must thank Mrs Krouwel-Vlam who, by tabling a second motion, has given us the opportunity to keep the House's attention concentrated on a problem which has been and continues to be a source of hope for so many suffering people. This resolution again calls upon the Commission to prepare legislation which will improve coordination, as well as cooperation, amongst European organ banks. The resolution enumerates the various occasions on which Members of this Parliament have spoken in favour of this problem, with the aim of highlighting the importance which all of us attach to it; the fact that the resolution was approved unanimously by the Committee provides further confirmation.

Coordination does not imply interference in the Member States' national legislation by amending it, or even overturning it: instead, it means — bearing in mind the considerable amount of human suffering on which this request is based — improving research, offering improved help to suffering humanity.

In April 1979, that is to say at the moment when the previous resolution was being approved by the European Parliament, Mr Davignon announced that the question of organ transplants would be submitted to the Committee on Medical Research, a subcommittee of the CREST, in order to look at the scientific and technical problems with a view to determining the desirability of action in this sphere by the Commission. Let us hope that four years are enough to establish the desirability of such action, which Parliament has already considered, once before, to be of extreme interest and which it will, I hope, confirm entirely through this second vote.

There is no doubt that the problems we have to deal with are many: legal problems, ethical problems, problems of establishing standards. It is a road strewn with obstacles, but at the end of it there is the certainty of having travelled in the right direction. No one can loiter along this road, because we are guided by a vision of mankind, mankind with its problems and its anxieties. Let us at least offer a hand to suffering humanity, and let us do our best to see that in the serenity of a healthy life, or, at least, a life to which health has been restored, mankind can look to its own future and that of the generations to come with greater confidence.

(Applause)

Mrs Krouwel-Vlam (S). — *(NL)* Mr President, underlying the enormous demand for organ transplants — for which there are long delays because of the shortage of donors — there is untold human misery. The demand for organs is increasing as a result of the fact that medical and technological progress is making it possible to make many people's lives liveable

again, but there are still not enough donors. For example, the compulsory wearing of seatbelts has resulted in fewer kidneys coming available, which means a nice sense of security for some and an intolerable uncertainty for others since they must wait even longer for a transplant. At the moment, skin from donors is being used to good effect in the treatment of serious burn victims. However, this means that a large number of donors must be available if this possibility is to be open to a substantial number of patients, and for this reason alone the Community should look into the question of whether it could promote the development of extensive and appropriate information campaigns in the Member States. Young people in particular tend to be very willing to make their organs available in the event of their death. However, they do not know how to go about it because of lack of information.

Furthermore, it frequently happens that it is impossible to use an organ because the potential donor had not given the necessary authorization and the family's consent came too late. It is perfectly understandable that in some cases traditions, mentalities and emotions are stronger than logic and that we will have to wait some considerable time before we can see much progress in this respect.

The Commission should not delay in proposing measures to promote and coordinate effective transplant arrangements. The success of a transplant depends to a large extent on the highest possible degree of compatibility between the tissues of the donor and recipient. This requires a network of specialized organ banks in the Community for the registration of supply and demand since this would permit better coordination of studies into the preservation of donors' organs and tissues and the detection and prevention of rejection symptoms.

An initiative on the part of the Commission would represent a step forward towards a humanitarian attitude to difficult situations in the lives of our fellow men, for whom an organ transplant could mean a substantial increase in their life expectancy or improvement in their quality of life.

(The sitting was adjourned at 8 p.m.)

IN THE CHAIR: MR MØLLER

Vice-President

(The sitting resumed at 9 p.m.)

Mr Dalsager, Member of the Commission. — *(DA)* Mr President, as is clear from the motion for a resolution

Dalsager

by Mrs Krouwel-Vlam and the report by Mr Del Duca, organ transplants give rise to legal and ethical questions as well as organizational problems.

The Council of Europe has examined the legal and ethical questions and considerable progress has been made. Since the resolution — No 78/29 — on the harmonization of legislation was adopted in May 1978, a number of Member States have introduced various changes so that four of them are now in accordance with the Caillavet law on passive consent, while two are currently debating draft laws on the same subject.

Obviously, it would be desirable for all the Member States to have standard legislation in this field, not for bureaucratic reasons, but to ensure that the all patients in question could expect to receive similar treatment. I therefore welcome this development and hope that it will continue. However, there is no denying that cultural differences affect both the pace and scope of these developments.

The Council of Europe has played a very significant role and it would be wrong to interfere with its work. As in other areas, the Commission intends to try and find the best way of coordinating cooperation between the Council of Europe and the WHO. Following the answer given by Mr Davignon in April 1979, the Committee on Medical Research and Public Health looked into the organizational aspects of organ banks in the Member States and concluded that there would be no particular advantage in introducing a computerized communication system. It was found that the European Dialysis and Transplant Association played an important coordinating role and I am pleased to be able to inform you that there has been fruitful cooperation between this Association and the Commission during the last year.

Organ transplants are a very important matter, particularly in the case of kidney transplants, of which many thousands are carried out in the Community every year. In view of the importance of the problem from a human and economic point of view, the Commission is prepared to examine the provisions regarding organ transplants and to report on its findings and possibly put forward some practical proposals in the course of 1984.

President. — The debate is closed. The motion for a resolution will be put to the vote at the next voting time.

11. *Discharge decisions 1981 — European Parliament and European Investment Bank (continuation)*

President. — The next item is the continuation of the debate on five reports on discharge decisions and rela-

tions between the European Parliament and the European Investment Bank.¹

Mrs Boserup (COM). — *(DA)* The reports listed here are uncomplicated in the sense that they have got through the Committee on Budgetary Control without protest and in the sense that we feel convinced that the rapporteurs in question have done the necessary research and would vouch for the accuracy of the figures quoted. Both the Development Fund and the Coal and Steel Community are difficult things to keep track of and it is valuable therefore that our rapporteurs managed to clarify these matters so quickly, not least with the help of a particularly efficient Secretariat. Apart from the reports on the Development Fund and Coal and Steel Community, which I think Mr Gabert will possibly deal with himself, there is Mr Kellett-Bowman's on the Foundation for the Improvement of Living and Working Conditions. I am assuming that Mr Kellett-Bowman will deal with this himself and I do not think there is any need for us to go into them now. Our colleagues here in this House can, I think, be confident that these reports are in order and I would therefore urge the House to vote in favour of them.

Mr Aigner (EPP), Chairman of the Committee on Budgetary Control. — *(DE)* Mr President may I first of all remind the House that in yesterday's debate we deferred the two reports on the discharges to be given to the Commission and the Parliament. Mr Tugendhat was to have given an explanation on behalf of the Commission. He is unable to be here today and has therefore promised that he will give the explanation at our Committee meeting next week, so that we should, hopefully, be able to present the Commission's point of view at the May part-session.

We therefore come to the reports drafted by Mr Kellett-Bowman, Mr Cousté, Mr Saby and Mr Gabert. I would suggest that we take these in the order laid down in the Agenda.

Mr Konrad Schön (S), rapporteur. — *(DE)* Mr President, I shall be brief, for we announced yesterday evening that the discharges could be granted, with the exception of those to be given to Parliament and the Commission. I should like to make a few additional observations on behalf of my group. We have no complaints about the ECSC report drafted by Mr Gabert. It is an excellent, factually accurate report, and we fully accept it. The same goes for the reports concerning Dublin and Berlin. As regards the discharge to be granted to the Commission in respect of the activities of the second and third European Development Funds I should like to point out that the Development Fund is administered by the Commission's Directorate-Gen-

¹ See previous day's debates.

Schön

eral for Development and that it is not, strictly speaking, a true budget but a set of accounts, which we should examine in the light of the objectives set out by those responsible for the Fund.

The activities of the first Development Fund, which is on the agenda for discussion today, were audited by the Committee on Budgetary Control, and this audit, like the General Budget of the European Community, was in turn audited by the Court of Auditors of the European Communities. Our Committee's deliberations were based on the detailed investigations of the Court of Auditors and the observations it makes in its 1981 Annual Report. The Court's observations are based on the results of its audit visits to a number of ACP countries. The total value of the projects it audited was 362 million ECU, representing approximately 65% of the total EDF finance.

It is true that the Court's report contains certain criticisms, but taken overall we regard the results as positive, particularly when one considers the importance of the contribution made by EDF aid to the developing countries. We should also, in my opinion, acknowledge that the high esteem in which the Community is held outside Europe is due in no small degree to this development fund. One occasionally gets the impression that the European Community is held in much higher regard outside Europe than we on the inside imagine, although of course we still need to apply ourselves constructively and critically to the problems existing within the Community if we are to get the Community firmly on its feet.

The Court of Auditors confirms in its report that the systems used to record in the accounts the financial operations of the EDF are reliable, with further improvements having been made to the presentation of the accounts in 1981. Accordingly, the Committee on Budgetary Control has unanimously approved the Commission's request for discharge of the second and third European Development Funds. I would therefore recommend that this House grant the discharge.

Mr Gabert (S), rapporteur. — (DE) Mr President, ladies and gentlemen, firstly I have today discovered that even a Commissioner can make a short speech, considerably shorter, in fact, than we had actually expected. Secondly, I should like to place on record my confidence in Mrs Boserup. I am sure that everything she said in her introduction was correct.

I shall be very brief since there have been not objections to my report, the Committee on Budgetary Control having had previous experience in matters relating to the High Authority of the ECSC. The report covers the revenue and expenditure account of the High Authority as at 31 December 1981, the report of the Court of Auditors on the ECSC's accounts and the report of the Court of Auditors on ECSC housing loans.

What it does not cover, and what my motion for a discharge does not therefore include, is the report of the European Court of Auditors on loans by the High Authority of the ECSC to coal and steel undertakings. This will be the subject of a separate report, which has already been discussed with the European Court of Auditors and the Commission and which will be submitted to Parliament before the summer recess.

Thinking back to the observations made by the Court of Auditors in their previous year's report, most of which were acted upon by the Commission and hence the Coal and Steel High Authority in 1981, I am struck by the fact — and this is not meant to be a criticism of the Commission but a very serious general observation — that once again two Member States defaulted on their special contributions to the High Authority. The legal position, as we know, is somewhat complicated. Nevertheless, I would ask the Commission to do all in its power to ensure that these special contributions are paid, since it is not fair on the Member States which do pay up. The two defaulters still get the benefits. That surely cannot be right!

As the Court of Auditors notes, the High Authority has introduced computerization in many areas since the previous year. Hopefully, therefore, the entire accounting system will soon be computerized. The Committee on Budgetary Control has noted with satisfaction the Commission's undertaking to accede to a number of requests by the Court of Auditors relating to greater transparency in the accounts.

I would just like to comment briefly on the ninth programme for subsidized housing in the ECSC sector. The Committee on Budgetary Control notes that this could represent an important contribution to restructuring in the coal and steel sectors. However, greater concentration of resources would make it possible to exert much greater influence in encouraging workers to move to locations near viable ECSC undertakings.

The Committee on Budgetary Control points out that the criteria for selecting projects for financing must be taken into account in each individual case, and that the conditions to ensure satisfactory monitoring must always be met. It also believes — as does the Commission — that greater harmonisation of the terms of loans between the various Member States is desirable. Finally, it believes that the procedures should be simplified, since decisions taken in 1981 resulted in the use of only half the resources available.

I should like to conclude by observing that since the Coal and Steel High Authority has already acted on many of the Court of Auditor's proposals the Court's reports on this subject should theoretically become shorter and shorter over the years. Apart from one abstention, the Committee on Budgetary Control unanimously approved the present report, and I would ask the House to grant the discharge to the ECSC for

Gabert

the 1981 financial year on the basis of the documents in question.

(Applause)

Mr Aigner (EPP), Chairman of the Committee on Budgetary Control. — (DE) Mr President, we have two reports by Mr Kellett-Bowman. I am not sure which you have called first. Is it the Dublin report, i.e. document 1-294/83 final, or is it document 1-70/83? If it is the latter, I should be pleased to present it myself.

The organization in question is one of the so-called satellites of the European Community. In the beginning we had certain problems with the financial management and accounting procedures of the satellites. Now, thank God, these have all been resolved. For this we must give special thanks to Mr Kellett-Bowman who, as the rapporteur, visited the satellites and carried out the checks. He has done an excellent job. Unfortunately, there was one point on which the Committee found itself in difficulties. The rapporteur proposed that we reject the Court of Auditors' idea for a financial controller to be appointed at the Centre. After some deliberation, including a discussion with the Court of Auditors, we decided to defer our decision for the time being since we believed that basically we should be looking for a solution which could be applied equally to all the satellite organizations. I hope that when Mr Kellett-Bowman submits his general report on the satellite organizations we can then agree on a decision.

I should point out, Mr President, that the management of this institution have been very conscientious and have accepted our proposals for improvements. I only hope that the input/output ratio, to use a modern expression, continues to remain the same on the rising graph. At all events the Committee recommends the House to accept the motion for a resolution and grant the discharge.

(Applause)

President. — Doc. 1-70/83 is the one in question.

Mr Kellett-Bowman (ED), rapporteur. — Mr President, there is a very well-known song — I do not propose to sing it — where the first words say: 'It ain't what you say but it's the way that you do it'. Anyone reading the last report on Dublin and my report on Berlin might be forgiven for thinking that I was off my rocker for having declined to move the first report on Dublin when the two are virtually the same. I am now moving the one on Berlin. The fact is that the one on Dublin was altered in committee after the vote on the resolution and after the vote on the discharge. That in my book, Mr President, is not on. But let bygones be bygones.

The last line of the song is: 'Let's call the whole thing off'. I do not propose that we should call off the discharge for Dublin or for Berlin, because both of them have been shown to have a clean bill of health by the Court of Auditors. You will notice that the one on Berlin contains only two paragraphs. There cannot be many resolutions which get before this House which are as short as that, particularly after a committee has been to work.

As mentioned by the chairman of this committee, there was one point on which we did not agree. The Court of Auditors, in respect of the Centre for the 1981 financial year, pointed out that over 80% of the expenditure by that satellite had been carried out on the system of advances. My investigations show that actually 88% were carried out on imprest accounts and by these advances.

Of course, Mr President, that is excessive, especially in view of the experience of this House in the past year. This sort of thing should be put to an end wherever possible and as soon as possible. The Court of Auditors proposed a solution — namely, that an official at the Centre should be appointed Deputy Financial Controller to work on the spot in Berlin. The Court knew what they were proposing. They carry out this very system themselves, and I believe the Court of Justice is about to do the very same thing. Berlin told me that they would eliminate completely the *régie d'avances* if they had a financial controller on the spot. His duties would not be onerous, because the amounts involved are not very large; but the rigours of financial control would apply to this official as they do to all financial controllers. He would have to pay out of his own pocket if sums were wrongly dispersed against his signature.

Further, this Deputy Financial Controller would be under the strict supervision of the Central Financial Controller in the Commission on their regular, although infrequent, visits to the satellite. They would confirm if everything were in order. This was the view of the Court of Auditors. It was a position which I endorsed. It was also a position which the Council endorsed, so what on earth was wrong?

I see that an amendment has been put down to this report proposing that a deputy financial controller be appointed. If I can appear not to be schizophrenic on this occasion, I would recommend that the House give the discharge decision for Berlin and that the resolution accompanying that discharge decision be approved by the House.

With my other hat on, I hope that the amendment that has been put down and which brings sanity into this situation of advances which we should not tolerate will also be approved.

(Applause)

Mr Aigner (EPP), *Chairman of the Committee on Budgetary Control*. — (DE) Mr President, Mr Cousté is unfortunately unable to be here today and has therefore asked me to present the report for him.

I should like to extend heartfelt thanks to Mr Cousté in his absence for all the hard work he has put in. The report itself seems very simple. The aim was to reach an agreement on Parliament's powers of supervision over the European Investment Bank. Under the terms of its constitution the latter is completely independent where its own funds are concerned — it has its own structure and its own powers of responsibility through the Board of Governors. However, when the Bank acts as an agent for Community funds these funds must clearly be subject to full parliamentary supervision, even when they are being administered and spent by the Bank.

I can assure you that we have put in a great deal of work on this subject, and that after numerous discussions involving the President of the European Investment Bank, the Commissioners concerned, the rapporteur and myself we have managed to achieve a solid agreement under which the institutional relationships between the Commission, the Bank and Parliament, in its supervisory role, is set out with absolute clarity. I would therefore ask the House to accept this motion for a resolution, which was unanimously approved by all concerned. I believe that this agreement represents a major achievement for all the institutions involved.

(Applause)

Mr Notenboom (PPE). — (NL) After all that has been said, Mr President, I should still like to make one brief remark on behalf of my group concerning our wish to put the clock back a month as regards the discharge for the 1981 budget. Various arguments have been put forward, but one which my group regards as important has not been mentioned, i.e. the fact that while we grant or refuse discharge on the basis of the important annual report by the European Court of Auditors, we must nevertheless take account of the Council's opinion and this month would also be useful if we wished to devote some serious study to this opinion. In cases where we issue our opinion and the Council decides — and there are many such cases — we in Parliament always want the Council to take full account of our opinion. Thus, in this case, where it is the European Parliament which decides and the Council which issues its opinion, we feel that Parliament should take full account of the Council opinion, which is particularly important this year since it is a substantial document of many pages. The Council has a right to expect us to devote considerable attention to it and this extra month will be useful from that point of view too. If we wish to maintain good relations between the institutions — although conflict can obviously not always be avoided — we must also take account of the considerable work which the Council

has done with a view to submitting an opinion to Parliament in connection with the discharge procedure. Thus, this is an additional reason for the extra month which my group wished to be made known here, partly because not many people realize that there are some cases in which it is the Council which acts in an advisory capacity and Parliament decides, rather than the other way round.

(Applause)

Mr Price (ED). — Mr President, I want to concentrate on the Berlin and Dublin Foundations, which are two useful bodies that the Community has, and which represent two of the discharges that we have before us.

First of all, let me make it clear that I am moving the amendment put forward by our group, which would provide for a deputy financial controller in each of these two institutions. The importance of this has emerged from what the rapporteur, Mr Kellett-Bowman, said in respect of the Berlin Foundation, but exactly the same point applies in the case of Dublin.

Looking at the report of the Court of Auditors at the end of the Dublin Foundation report, I note that it is one page in length; I note that the bulk of that page is devoted to the question of imprest accounts, because, happily, there is nothing much to be found wrong with the general financial administration of the institution.

But there is this one issue which the Court of Auditors felt that they should pay some attention to: namely, that most of the expenditure was incurred through the use of imprest accounts and, therefore, there was inadequate control in advance over that expenditure.

Bearing in mind that that is an important point raised by the Court of Auditors — indeed, the only point of significance they raise — we would have expected to have before us the positive reaction of the Committee on Budgetary Control, and I find it regrettable that it is not in the resolution as at present before Parliament, either in respect of Dublin or in respect of Berlin. I think it is important that we should put this right, because the Court of Auditors' report indicates a weakness and they say quite clearly that consideration should be given to the appointment of a deputy financial controller; they say the duties of such a post would not be onerous, and the Court does not feel that such an appointment need necessarily lead to an overall increase in staff. They make it quite clear that if there was this dual responsibility, there would be no fundamental change of principle — and I quote them on that — because the official would still report to his superiors in the Commission, who would, of course, be in the financial control directorate.

So, I must say that I cannot understand why there was any resistance in the committee to following the recommendation of the Court of Auditors, and I hope that the House will do that.

Price

Finally, Mr President, may I comment on the Coal and Steel Community report just in this way? I think it is excellent that this year we have that report on time. It has been well prepared by Mr Gabert, and it indicates that at last the accounts of the Coal and Steel Community have been brought up to date, indicating a very satisfactory situation.

Mr Dalsager, Member of the Commission. — (DA) Mr President, I should first of all like to thank Mr Gabert on behalf of the Commission for his report and motion for a resolution on the ECSC accounts.

The Commission shares the rapporteur's satisfaction at the fact that Parliament will be able to discuss and grant a discharge for the ECSC accounts for 1981 within the time stipulated. I only regret that, for reasons outside the Commission's control, it was not possible to give this discharge at the same time as the discharge for the general budget — a point also made by the rapporteur. In this report Mr Gabert acknowledges the fact that there have been some genuine improvements.

I should like to make the following remarks on the various recommendations and proposals contained in the motion for a resolution:

As regards paragraph 3, the Commission is continually urging the Member States in question to take the necessary steps to ensure that their special contributions for social measures in the steel sector are paid without further delay. It should be the last time we have this problem to contend with, since as from 1982 the amounts concerned are included in the general budget.

As regards paragraph 4, we are currently remedying the lack of consistency between the various items, which the Court of Auditors commented on.

The internal department responsible for scrutiny is currently working on ways to avoid similar difficulties in the future.

As regards paragraph 5, the criteria to be applied for adjusting items where there is a risk that the payment of amounts originating from loans and levies must remain outstanding, are the same as those generally used by credit institutions.

This brings me to paragraphs 6 and 7. Work on the new EDP accounting system is approaching completion, and the system fulfils the various wishes expressed by the Court of Auditors, which has been kept informed of the progress made.

As regards paragraphs 9 and 10, the Commission is endeavouring to find a better solution, along the lines of the system used in the case of investments, to enable it to assess the need for restructuring and the trends in

building costs and State subsidies. In addition, measures have been introduced with a view to improving the monitoring of loan applications and stricter application of the relevant criteria.

I should like to say in connection with paragraph 11 that regional and local circumstances will inevitably lead to differences in the terms of loans. The Commission intends, in this connection, to provide the further statements the Court of Auditors has requested and go through them together with the Court of Auditors.

The new computerized accounts system mentioned in paragraph 12 is approaching completion and will, among other things, meet the rapporteur's request that the accounts should in future be broken down into loan decisions and loan contracts.

As regards paragraph 13, the rapporteur has stressed that the procedures are complicated. However, steps are already being taken to simplify them. This should ultimately enable loans to be dealt with more swiftly.

As regards the loans to officials mentioned in paragraph 14, it should be stressed that it would not appear advisable to abolish the ceiling, since only relatively small amounts are available, and any other measure would lead to a regrettable reduction in the number of officials receiving loans.

As regards the checks on the use of the loans, these will again be made on the basis of the widest possible samples, account being at the same time taken of the costs involved.

Finally, I should like to add in connection with paragraph 16 that the Commission has already taken steps to ensure in future that the ceiling on resources for loans to officials is not exceeded.

I should now like to say a few words on the report on the European Foundation for the Improvement of Living and Working Conditions and the European Centre for the Development of Vocational Training, and I should like to thank both the Chairman, Mr Aigner, and the rapporteur, Mr Kellett-Bowman, for their reports.

First and foremost, I should like to stress the extensive cooperation between the European Centre and Foundation in Dublin on the one hand and the Commission departments on the other, which takes the following form. When the annual working programmes for the two institutions are drawn up, the Commission indicates what it regards as the priority tasks for the year in question, and these are also stressed by the representatives of the Commission at the meetings of the Boards of the two institutions at which the decisions on the programmes are made. In other areas, duplication of work in Berlin, Dublin and the Commission departments is avoided by exchange of information on

Dalsager

studies and work in progress in the various Commission directorates-general.

Finally, the Commission departments take part in evaluation seminars at which the results of studies carried out by the two institutions are examined. I should like to add that, in their own work, the competent Commission directorates-general make the widest possible use of the many studies carried out by the European Centre and the Foundation.

As regards financial control in these two institutions, the Commission intends, in accordance with the wishes expressed by the European Parliament, to do all it can with a view to finding an effective solution within the framework of the revised financial provisions applied in these institutions.

I think it is too early to appoint an official exclusively responsible for financial control and accounting in these small institutions, and would therefore advise against adopting the proposal contained in Amendment No 1 by the European Democratic Group.

Finally I should like to say a few words on the report on the European Investment Bank. I can be brief, since Mr Cousté's motion for a resolution sheds light upon an important point. The rapporteur has stressed the most vital aspect. He agrees that Parliament can already fully exercise its supervisory powers, without altering the autonomous status of the European Investment Bank, and that these powers enable it to assess how far the Bank's operations contribute to the achievement of the Community's objectives. The Commission fully agrees on this point and thanks the rapporteur for the work he has done on this report.

Finally, I should like to remind you, in connection with Mr Cousté's proposal that the preamble to the Community budget should contain a definition of Community policies and prime objectives, that the preliminary draft budget which the Commission has submitted to Parliament and the Council contains an introductory section on the policies, underlying including Community loans policy.

Finally, there is the question of a general discharge. No report on the discharge for 1981 figures on Parliament's agenda, since the committee on Budgetary Control has not yet finished its work. We have heard that a new draft report by Mr Schön will be submitted to the Committee at its meeting next week. Mr Tugendhat has been invited to take part in the meeting to discuss the question, and has agreed to do so.

If the report is included on the agenda for Parliament's next part-session, the Commission will make a detailed statement on that occasion.

President. — The debate is closed, but Mr Aigner has asked to speak.

Mr Aigner, Chairman of the Committee on Budgetary Control. — (DE) Mr President, as Chairman of the Committee on Budgetary Control I would just like to add two brief observations. The first concerns the remarks which have just been made about financial controls. Examination has shown, Mr Dalsager, that all the controls which have been carried out, both in your special sector, agriculture, and in connection with the ECSC, have paid for themselves. Thus, it would be foolish to make any cutbacks here. Take the ECSC for example. Out of 18 or 20 audits two-thirds have contained criticisms which have led to considerable financial savings. Hence, the Commission should not be trying to cut back on random checks. My second point is to do with the scheduling of this debate: the lateness of the hour could give people the impression that discharges are a mere formality. I would remind you that this debate today is not the real discharge debate. That will not come until May, when the huge amounts budgeted to the Commission and the Parliament will be debated.

I am pleased that one of the group chairmen, Mr Glinne, is present. I say that because the group chairmen ought to make their groups more aware that in its power of discharge this House possesses a formidable weapon which ought to be used more forcefully. Fortunately the majority of the House has not abandoned us, but I would like to make a plea for a little more active support. In the May debate we hope that the Commission's statement — and I am pleased to say that the three Commissioners with whom I have spoken have fully supported the political direction we have taken — will show the public, and more especially the Council, that the Commission needs to draw nearer to Parliament in order to distance itself more from the Council. I sincerely hope that Parliament will support this policy. It came as a considerable shock to me, however, that a member of the Committee on Budgetary Control itself, Mr Price, should yesterday have tried to destroy this policy, despite the fact that the supported it during the voting in Committee. It is not delays that we want, but a stronger partnership between the Commission and Parliament, and I hope that this is what we shall achieve at our May debate.

(Applause)

Mrs Boserup (COM). — (DA) Mr President, I should just like to ask whether I have misunderstood something. The President announced — in my own language to boot — that the debate was closed. I therefore find it strange that the chairman of the committee, Mr Aigner, should get up and attack a member of his committee, Mr Price, who I assume has no right of reply.

President. — Mr Price can reply but he has not asked to speak.

The debate is now definitely closed. The motion for a

President

resolution will be put to vote at the next voting time.

12. *Administrative expenditure for 1982*

President. — The next item is the report (Doc. 1-100/83), drawn up by Mr Saby on behalf of the Committee on Budgetary Control, on the administrative expenditure of the European Parliament in the period 1 January to 31 December 1982 (1982 financial year).

Mr Saby (S), rapporteur. — (FR) Mr President, I shall be fairly brief since everyone already has a copy of my report and the annexed accounts. The Committee on Budgetary Control proposed that the report be taken without debate since a debate is due to be held on this subject in a few months time.

The Committee's aim in this report has been to try to put our words into practice. You will recall that in our 1983 budget presentation report — for which I was the rapporteur, and which you approved almost unanimously — we said that for the implementation of the administrative budget of the Parliament and the other institutions we needed to make a transition from a quantitative phase to a qualitative phase.

I believe that efforts in this direction have been made by the Presidency and by every official, but that problems still remain. We hope to present to you in a little while a report which will be both critical and constructive. Work has already begun, and we look forward to being able to hold a debate in the not too distant future to record the tremendous progress which has been made.

Mr Hord (ED). — Mr President, I would first of all like to say that I am not intending in any way to criticize the good work of the Committee on Budgetary Control, in particular the excellent leadership given to that committee by Mr Aigner. My remarks are mainly directed at the administration of the Parliament.

I am rather concerned that it was intended that this report should be taken without debate, because I feel that, more than anything else, we Members of this Parliament should ensure that our accounts are fully and properly dealt with. It was a pity that the annex to the report was not made available sooner — I only had two days in which to look at it, and I do not believe that the report was available to the groups for their meeting the week before. What I am really saying Mr President, is that Parliament must ensure that its accounts are whiter than white, particularly with regard to the substantial amount of adverse, albeit misguided, criticism of Parliament's expenditure in 1982.

As for the accounts themselves, they could be described as marvellous. Not one line, not one chapter,

Mr President, was overspent — not even the petty cash. I would draw attention to the fact that perhaps not too many people have read them, because Item 2402 refers to expenditure under Rule 53 of Parliament's Rules, but Rule 53 was in fact superseded in 1981.

However, over and above that particular error in the accounts, it seems to me that there has to be a substantial criticism of the accounts, because there is much too much fat in them. I have said it before, and I shall say it again, Mr President, we in this House are over-budgeted, and in respect of 1982 it is quite clear that we were over-budgeted in every line and in every chapter. I would submit again that the reason for this over-budgeting is that we base our budget, not on previous actual expenditure, but on irrelevant, over-sized previous budgets. Such policy is a recipe for extravagance and overspending. There is not a shred of discipline in Parliament's budget.

With regard to the 1984 budget of Parliament, therefore, I sincerely hope that we can change the practice, base the 1984 budget on the previous year's actual expenditure and so bring in the necessary degree of discipline. After all, we are one arm of the joint budgetary authority and have a big responsibility for the Commission's budget, and I believe it is incumbent upon us to show the other institutions how to do it by doing for ourselves what we expect other people to do.

Mr Aigner (EPP), Chairman of the Committee on Budgetary Control. — (DE) Mr President, the Committee on Budgetary Control approved Mr Saby's interim report by a majority. This was necessary because the Commission needs the figures for its own work.

We also decided by a majority that the explanatory statement for the report should not be given until Mr Saby was in a position to do so. Mr Saby will shortly be submitting the final report.

I agree with the previous speaker on one point: quite clearly, we must measure our own budget by the same standards as those we apply to the other institutions. The rest of what he has to say, however, bears no relation to the views shared by the groups in the Committee on Budgetary Control.

Mr Boserup (COM). — Mr President, we are having a most enjoyable evening; discussions which had been finished are now continuing. The Rules of Procedure are being used as an excuse to introduce long speeches. It is not easy to see where this will end.

I should like to comment briefly on what was said by Mr Saby, who was also of the opinion that the report should be debated. It certainly should, and that leads me to Mr Aigner. He says so frequently and so rightly

Boserup

that the Committee on Budgetary Control is not merely a collection of book-keepers. Its job is to help our colleagues who do not deal with such tasks and to exercise political and democratic control on behalf of our electors. But do you know something, boys and girls? I don't think we have succeeded here! We have delivered a report which is incomprehensibly weak and an annex which is meaningless to the layman. And so we say that we'll come back to it. But it is not necessary to come back to things we know, and which Mr Saby has already mentioned in committee, and here I am thinking particularly of the notorious transfer of 17.4 million ECU for electioneering purposes. Was that legal? Has the committee any idea of the extent to which that was legal? I have my own idea! But could the committee not have formed some idea on such an important matter? Is there some reason why we should hide the fact that we in the Committee on Budgetary Control have made fools of ourselves — and I am sorry to have to say so — and have approved transfers to accounts which this substantial annex shows have lapsed and are therefore not being used for any purpose at all? What kind of way is that to treat us? It will not take six months or a year to find out.

I must also say that I support Mr Hord in his stand on poor budgetary drafting. 10 million ECU have lapsed, in spite of the fact that we scraped the bottom of the barrel to find the 17 million ECU. There is too much fat in this budget, and the left hand has no idea how much money there is in the right. This is a scandal which Parliament cannot tolerate. It is not my wish to besmirch Parliament, but I demand that the public be told the truth, and we might as well start today.

Mr Aigner, Chairman of the Committee on Budgetary Control. — (DE) Mr President, there are one or two misconceptions which I feel ought to be cleared up. First of all, however, let me say — and by the way Mr Hord, thank you for the flowers — that there are three things which need to be kept apart. The first is the discharge of the budget for 1981. We decided to defer this because there are a number of very serious questions which we want to examine in depth and because the Bureau did not give us the apparently new information until the last minute. We need to examine this very closely, and that is what we shall be doing next week and the week after with the administration and the Bureau.

What we are doing here is presenting the accounts for 1982 so that the Commission can pass them on. At this point, allow me to express heartfelt thanks to Mr Saby, who has put in an enormous amount of work. It is not so much a question of controlling every individual item of expenditure, as of organizing the procedure in such a way as to ensure that there can be no further contraventions of the Financial Regulation. Let me make it clear that I am not talking about irregularities, but simply about contraventions at many levels of the existing Financial Regulation. If we criticize the

Commission we must be prepared to apply the same standards of criticism to our own financial administration. All we have done for the moment is to pass on figures; we prefer to delay the discussion until a later date, because the rapporteur is still, on his own initiative, engaged in trying to work out new proposals, i.e. proposals of direct practical consequence. He has met with a great deal of understanding — even from the administration — and I should like to thank the administration of the Parliament on that account. It shows that cooperation is possible even when Parliament is performing a control function.

Our experiences in this connection — and this was what Mrs Boserup was concerned about — will be reflected in our deliberations for the 1984 budget.

I hope that as a result of our experiences and Mr Saby's analysis we shall be able to achieve the same political effect at a lower cost. I believe there are still considerable savings to be made, even in our own budget, and when all is said and done that is what parliamentary control is supposed to be all about.

Mr Saby (S), rapporteur. — (FR) I have heard a number of inaccurate statements which I cannot let pass unchallenged. I cannot accept that there has been fudging in the Parliament's accounts, because it is simply not true. The Parliament's accounts are clear, there is nothing illegal about them. The 1982 budget was spent in accordance with the mechanisms and procedures laid down, and if our colleague Mrs Boserup has any problems I shall be pleased to sit down with her, whenever she wants, and justify the expenditure for her point by point, line by line, figure by figure.

(Applause)

Ladies and gentlemen, it is important not to confuse the issue. When we say that we are going to refine certain things, when we ask for extra time to produce proposals to improve the quality of our budgetary methods, procedures and mechanisms, this does not mean — and I want to make this quite clear — that our accounts are not good, that our accounts are not transparent. It is a different issue entirely.

Mr President, I would also like to say that we should not delude ourselves. In my 1983 report — which, as I said before, you approved almost unanimously — we spoke of improving methods, of introducing new techniques. I do not intend to dwell on all the problems — the problems with buildings, the problems of paper consumption, the problems of computerization and office automation — but computerization and automation are what our institution needs, and I am not among those who say that the budget will be systematically reduced in 1984. No. If we want modern, efficient techniques to help us in our work we must go out and get them, and they do not come free. There will be savings, of course, in the long term. Once these

Saby

methods have been introduced we will see considerable progress in the quality of our budgetary controls, but without them this Parliament will be unable to live up to its ambitions and the role which the Community ought to play in the world.

Mr Kellet-Bowman (ED). — Mr President, I would like to raise two points of order. They do say that Homer can nod, but we have had two Homers nodding just now.

Mr President, you introduced Mr Hord as speaking on behalf of the European Democratic Group. In fact, he was not. He was speaking on behalf of the ten Members who exercised their right, as Members of Parliament, to insist that a debate be put on and that a report be not just nodded through. It was a matter of principle. The ten Members of Parliament signed as individuals, not on behalf of the group.

Homer Aigner nodded when he thought that Mr Hord referred to the 1981 accounts. He did not. Never once did he refer to the 1981 accounts. He did refer, in a teasing way, to a point in the figures which I bet will not have been read by more than ten people in this House, because the Annex was very hard to get hold of, and those are the figures which we are supposed to be pushing through tonight. In that set of figures it mentions, Mr President, that some expenditure was made according to Rule 53. If you look in the rule-book, you will find that in 1982 Rule 53 did not refer to expenditure of money. It is a very old rule which was being referred to. It was only a teasing of the administration! The 1981 accounts were never referred to.

President. — The debate is closed. The motion for a resolution will be put to the vote at the next voting time.

13. Data processing

President. — The next item is the report (Doc. 1-1312/82), drawn up by Mr Herman on behalf of the Committee on Economic and Monetary Affairs, on the

proposal from the Commission to the Council (Doc. 1-553/82 — COM(82)356 final) for a decision amending Council Decision 79/783/EEC of 11 September 1979 adopting a multiannual programme (1979-83) in the field of data processing.

The debate will also include the oral question with debate (Doc. 1-42/83), tabled by Mr Sieglerschmidt and Mr Glinne on behalf of the Socialist Group, to the Commission:

Subject: Drawing up of a Community directive on the protection of the rights of the individual in the face of technical developments in data processing

(a) On 29 July 1981 the Commission addressed a recommendation to the Member States calling upon them to sign, during the course of 1981, the Council of Europe convention for the protection of individuals with regard to automatic processing of personal data, and to ratify it before the end of 1982. In the recommendation it announced that 'if all the Member States did not within a reasonable time sign and ratify the convention', the Commission reserved the right to propose that the Council adopt an instrument on the basis of the EEC Treaty to create a uniform level of data protection within the European Community.

In view of the deadline set in Section II of the recommendation, it must be assumed that the 'reasonable time' allowed by the Commission for ratification has now elapsed.

However, only six Member States had signed the Council of Europe convention by the end of 1982. No Member State had ratified the convention by the end of 1982 and this had in fact been done by only one of the 21 Member States of the Council of Europe.

(b) The European Parliament, in its resolution of 9 March 1982 on the protection of the rights of the individual in the face of technical developments in data processing, considered that 'rules on the protection of personal data are also feasible and necessary for the Community' and that the adoption of a Community directive should be envisaged.

(c) In the light of the above, we would ask the Commission:

1. Now that we are at the beginning of 1983, has the Commission begun to draft a proposal for a directive to ensure a uniform level of data protection within the European Community?
2. When does the Commission intend to start work in this area, if it has not already done so, and when can we expect the proposal to be submitted?
3. Can the Commission outline the provisions of such a directive and to what extent do these reflect the proposals made in the relevant resolutions of the European Parliament and the associated reports drawn up by its Legal Affairs Committee?

Mr Herman (EPP), rapporteur. — (FR) Mr President, ladies and gentlemen, the enemy is at our door

Herman

and we are arguing about the sex of the angels. That is how Byzantium perished. One wonders whether people in the year 2000, when they realize the extent of the disaster in the European telematics industry, will think not of Byzantium but of a much more modern and striking example, namely the European discussions, because as far as telematics is concerned these leave Byzantium in the shade. It was way back in 1976, when it was already evident that the European telematics industry was fast being outstripped by Japan and the United States, that the Commission first proposed a fairly broad, fairly coherent multiannual programme.

After three years of nitpicking, which reduced this programme to a skeleton, the Council finally gave the Commission the go-ahead for a programme which clearly has not yet produced any results. In fact we have fallen even further behind, and our dependence on imports of telematics equipment has grown even greater. We now meet little more than 35 % of our own needs, yet if we had become entirely self-sufficient we could have created one and a half million new jobs in Europe. With all our debates on unemployment, this is a figure worth bearing in mind.

Naturally, we welcome the Commission's present proposal to extend its programme a little further. We will give wholehearted support to any move by the Commission in this direction. Nevertheless, there are a number of comments we would like to make about the programme and the priorities.

The multiannual programme did in fact have two parts: the first part was mainly concerned with creating favourable general conditions for the development of the telematics industries, whereas the second part — the part which it is now proposed to develop — was more specific, being concerned with aid for specific research projects and experiments.

It might be asked whether it is not more important, and whether it would not in fact make more sense, to continue to work towards the standardization of data processing systems, the opening up of public markets and the elimination of the barriers which cause us to have ten separate telematics markets in Europe rather than a single huge European market.

It seems to me that concentrating on coordinating research, in particular in the Esprit programme, is to some extent putting the cart before the horse. Surely the first priority should be to achieve all the declared objectives, even if certain States are not yet ready to accept them entirely, or at any rate to continue to fight for the implementation of the first part of the multiannual programme?

My second point concerns the problem of priorities. The Commission seems to me to be proposing a strategy for research on all fronts. But our resources are limited and we must therefore select our priorities. In

certain sectors we can still catch up, but not in others. In certain sectors the Japanese or Americans are so far ahead that we stand very little chance of catching them up, and it may be asked whether we should even waste our energy and resources trying.

I am particularly sceptical about the priority given to the new languages. ADA, for example, on which so much of recent European research has been concentrated, is a language designed for computers operating on sequential processes. Yet in view of the extremely promising and rapid progress being made in the so-called fifth generation of computers it might be asked whether new designs of computer might not necessitate another type of language. Here too, therefore, we are in danger of arriving too late, i.e. after our rivals have already moved on to new sectors.

Finally, Mr President, I should like to state that despite these reservations — which, I am sure, will be borne in mind by the Commission when it comes to invite tenders and adopt the definitive programmes — your Committee and, I hope, this House, will support the Commission's initiative. The Council are sure to give the proposal a rough ride, and we wish the Commission well in its task.

Mr Sieglerschmidt (S). — (DE) We have a debate with an oral question by the Socialist Group. When can the author of this question speak on it, Mr President?

President. — I think we should deal with the Herman report first.

Mrs Baduel Glorioso (COM), draftsman of an opinion for the Legal Affairs Committee. — (IT) Mr President, I am in full agreement with what Mr Herman has said, just as I also share his perplexity with regard to the Community's backwardness in this important sector; this backwardness is not just important and significant in respect of the problem of employment, but also and above all because of the role which our Community must play in international markets. This is the sector which we must look to in order to promote economic recovery within the Community and within the framework of international competition.

The Legal Affairs Committee has decided unanimously to give its opinion in the form of two amendments.

The first amendment concerns the protection of the individual's rights *vis-à-vis* the development of the data-processing industry. The Legal Affairs Committee has raised this problem on each occasion that the need to develop and support the data-processing sector has been discussed.

Ever since the Cousté report was published in 1977 we have always stressed the need to protect the rights of

Glorioso

the citizen *vis-à-vis* data-processing systems. First of all, the individual needs to be able to check the information which is put into the computers, and secondly he needs to be assured of the confidentiality of such data. To this end, from the same time, that is to say from 1977 onwards, we have been calling for a European directive on this topic and, secondly, as far back as 1981 Member States were asked to ratify by 1982 the Council of Europe convention for the protection of individuals in respect of computer-processing of personal data.

I want to emphasize the major importance of a European directive in this field. In any case, our concern is to look after the individual's rights with respect to data-processing, which is something that we intend to support, moreover — and this should be quite clear. This is the purpose of the Legal Affairs Committee's first amendment.

The second amendment concerns something new, rather than the traditional questions — if I may say so — of the type contained in the first amendment. Today we have to face the phenomenon of crimes connected with data-processing. Suffice it to mention the misappropriation of sums of money using computers, using magnetic cards which have expired, robberies in data-banks, measures concerning the installation of data-processing systems which are in force in one State and illegal somewhere else, and consequently the theft of data between one State and another.

This leads us to wonder whether tax havens will not be followed by data-processing havens. In the face of this most serious situation, which has already been discussed by data-processing specialists at various conferences (amongst which, most recently, one in Cannes), we are submitting an amendment so that these concerns of ours will be taken into account. We hope that the rapporteur will be able to accept our two amendments.

Mr Seal (S). — Mr President, may I say that I agree with you entirely that there are two very distinct parts to this debate. Although, certainly, the oral question with debate has been lumped together in this debate, I feel that it should not really have been. In fact, whilst I have no objections to the two amendments that have been put down by Mrs Baduel-Glorioso, they do not deal specifically with Mr Herman's report. They deal with something slightly different. Mr Herman's report on data processing and on the multiannual programme is concerned with the hardware, the actual construction and use of computers. The oral question with debate, and also the amendments, are concerned with the software, the work that is actually done by the computers and the data used in this work. So, whilst I feel the secretariat has seen the word 'data-processing' and lumped the two together, really they are two very distinct items, and it is a shame that they have been lumped together in this way. However, Mr President, they have, and we will deal with them as such.

Let me first deal with Mr Herman's report. For once — and this is rather unusual — I do compliment him on his report, because I completely support him on it and on his conclusions.

However, I would like to deal in a little more detail with one aspect that Mr Herman has covered — namely, the usefulness of the research aided by the Community, and particularly the research into ADA, the new language.

I agree absolutely with Mr Herman that where the programme is concerned it is a matter of too little, too late, and it is dealing with something that is already out of date. I feel that they are pursuing a line of research that is not going to be fruitful at all.

The Community, as usual, is not adapting fast enough, and it is not planning ahead fast enough. As I have said before, the Commission should concentrate on helping us achieve self-sufficiency in micro-electronics in Europe. If we are going to compete in any way with Japan, or with the USA, we must work on an international basis. But we must also, as Mr Herman rightly said in his speech tonight, specialize in other fields — fields which are not already being covered, particularly by the Japanese. We too must use the so-called laser approach that the Japanese are using and concentrate on areas where we are going to make progress. If the Community cannot encourage this — as seemingly it cannot — then to me there is no point at all in having a Community, because Member States in the past, before the Community, have demonstrated that they can work together quite adequately without a Community. I will not go over the joint research programmes that have been done, but the Community has not improved upon this cooperation one bit. In fact, in most cases, in my opinion, it has been a hindrance.

I agree with Mr Herman: the Community is doing too little and they are doing it too late and we are falling further and further behind in micro-electronics. The Community is not looking into the problems of planning or of coping with the effects of the work that has been done in micro-electronics.

So those are my comments on Mr Herman's report. I support him, and whilst I have no objection to the two amendments, I do really think the amendments are on the wrong tack.

But I should like to add, Mr President, a little about data protection. At the moment this is being dealt with by the United Kingdom Government, and is in fact being debated at this moment in the United Kingdom. The United Kingdom Government is working very hard — belatedly — to come into line with other European countries in ratifying the Council of Europe Convention.

But there are many glaring exemptions in the Tory proposals that are being put forward. I can obviously

Seal

accept exemptions for reasons of national security, but I must say I cannot, and people should not and the Community should not, accept exemptions because of the problems of immigration control. This is something that must be looked at.

Neither should there be an exemption allowing access to medical records or hospital records. I feel that the data protection we are trying to achieve is not being helped at the moment by the United Kingdom bill. It is a hindrance. It has a kind of Big Brother effect as far as the government is concerned.

I would just like the Commission for once to try and bring the United Kingdom Government into line. You are not going to have much time left to do this, because we are about to leave the Community; but perhaps before we do that you could bring them into line with the other Member States.

Mr Van Rompuy (PPE). — (NL) Mr President, I should like to say on behalf of my group that we can endorse the conclusions contained in the Herman report. Like the rapporteur, we have certain criticisms and reservations regarding the extension of the multi-annual programme. We have our doubts as to whether it is sensible from a strategic point of view to extend part two of this programme before part one has been implemented. As Mr Herman has said, the first part of this programme is important, aimed as it is at creating a more favourable environment for the development of data processing in Europe through such measures as coordinating procurement policies, promoting standardization and establishing a free market in equipment of this kind.

The extent to which the European data-processing industry is lagging behind can be seen from the figures quoted in the report. As producers we account for some 5% of the world market in computers as against 25% as consumers. Our turnover is about one-eighth of that of the United States and I do not agree with my Italian colleague who maintained that this debate had nothing to do with the unemployment problem. On the contrary, Mr Herman pointed out that it would be possible to create a million jobs if we were to come up to the same level as regards development in data processing, and this would lead to a further million jobs since we know that there is a connection between the manufacturing sector and the supply sector and we should also take account of the million jobs in connection with the use of data processing in other industries. Consequently, data processing is tremendously important for employment, but the technology cannot put people out of work. In the United States 15 million new jobs have come into being since 1973 and 6 million in Japan, compared with a mere 1 million in the European Community. This is no mere coincidence.

It is obvious that technological backwardness can have serious negative effects on employment but there are

nevertheless strong anti-technological feelings among the younger generations which are encouraged by ecologists and certain socialists who continue to swear by zero growth and the protection of internal markets instead of calling for renewal. We must take a stand against this defeatism and we regret, therefore, that the projects are too limited in scope, that we are not making sufficient efforts in connection with the key areas and that the financial resources are too limited, although we are currently speaking in terms of hundreds of millions for plans for the steel industry, while this money should really be used for a policy aimed at getting the data processing industry back on its feet again.

I should to conclude, Mr President, by drawing your attention to an initiative in my part of the world, known as 'Flanders technology', which will come to influence the Commission's projects in the coming months. Mr Davignon has promised that the regions will also be involved in the multiannual programme on data processing and I hope that there will be cooperation between Europe and the regions in this area. The national regions should have nothing more to do with subsidies for obsolescent sectors. We must work for the future and I regard the Herman report as a valuable contribution to this work.

Sir Jack Stewart-Clark (ED). — Mr President, I know how much Vice-President Davignon has done in getting industrialists together to get the Esprit programme off the ground in an attempt to produce dynamic proposals for new information technologies, for Community action in microelectronics and for the harmonization of standards in telecommunications and data processing. However, one really despairs at the Community's lack of progress. Everyone knows that the Americans and increasingly the Japanese are getting way ahead in these fields. Yet what do we see since 1979?

Firstly, a Council delay in responding to the Commission's requests for staff and then failure to meet them. Secondly, monies requested in the field of mini-computers and peripherals rejected, a request for money in support of electronic component development rejected, monies in support of software standardization and data processing drastically reduced. On the Commission side, we witness almost no progress on standardization and not even a beginning to coordinated public procurement. Even with the Council's had behaviour, how can this be justified?

The Commission is no doubt right to concentrate on well-defined areas. But is ADA, the development of a new, modern programming language, really the right avenue? Is it worth 19.5 million ECU when we see new and advanced software coming out of the USA every month? Is this delay not making ADA obsolete? Can the Commission confirm that the project is still viable and that the money is being wisely spent? As far

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as standardization is concerned, if this in itself cannot be achieved, then let the Commission at least give support to the development of hardware and software which facilitates compatibility between different systems.

Many national governments, including my own, have Ministers for Technology and are providing substantial funds for the development and expansion of a modern computer industry. But, Mr President, individual nations cannot take on the Americans or the Japanese by themselves, particularly when the USA has space expenditure to nurture its industry and the Japanese are closely coordinating the activities of government and industry. The Commission's role and the purpose of expenditure in the Community must be, firstly, to identify and carry out, together with industry, those projects which cannot be achieved successfully except on a joint Community basis; and secondly, to act as the catalyst bringing national governments, universities and industries together to pursue separate but compatible and closely coordinated roles in the development of advanced electronic components and data-processing technology.

Of course, individual governments and nations of the Community will mark up some successes from time to time. But unless we see integration at a European level of advanced research and development projects, unless we see the establishment of European technical standards to enable better production scale and interchangeability to be achieved, unless we see a more uniform market, particularly in the public sector, by the opening up of procurement policies across the Community and unless we see incentives given to industry on the basis of a Community strategic plan for data processing, Mr President, we shall fail.

We cannot afford to fail, and we therefore ask both Council and Commission to get on with it and do something about it. I support Mr Herman's excellent report.

IN THE CHAIR: MR VANDEWIELE*Vice-President*

Mr Sieglerschmidt (S). — (DE) Mr President, ladies and gentlemen, what I am about to say is not a criticism of Commissioner Dalsager. Rather, it is a criticism of an absurd situation for which the Bureau and the Commission must take joint responsibility. When the largest group in this House tables an oral question with debate it naturally expects its interlocutor to be the appropriate Commissioner and not a Commissioner who — although I greatly respect his work — is nevertheless obliged to read off his speech from a writ-

ten statement and who is scarcely in a position to answer any additional questions unless prompted by his colleagues.

I would ask you, Mr President, to take this matter back to the Bureau. It is quite clear what the Socialist Group's oral question is all about. In summer 1981 the Commission recommended the Member States to sign, by the end of 1981, the Council of Europe convention for the protection of individuals with regard to automatic processing of personal data, and to ratify it before the end of 1982. The Commission announced — and Dr Narjes repeated this in March 1982 — that it would otherwise immediately begin drafting a proposal for a directive on data protection in the European Community. The reaction to the Commission's recommendation has been very depressing. By the stipulated deadline only one Member State — France — had ratified the convention and two Member States had not even signed it. I would therefore like the Commission to state whether it has, as promised, already begun drafting the proposal for a directive on data protection in the European Community, and if not, when it plans to start and when Parliament can expect to see the proposal. Naturally we should also very much like to know on what broad lines this proposal will be based.

Mr Dalsager, I should like you to be in no doubt that the citizens of our Member States are extremely concerned about data-protection in the context of their individual rights, as well-publicized events this very week in the Federal Republic will testify. Neither the Commission, nor, unfortunately, the Parliament, has yet established adequate data protection for its staff. I can see the day when an official of the Commission complains to the European Court of Justice that his citizens' rights are endangered as a result of inadequate data-protection, and very possibly wins his case. I would recommend the Commission not to sit back and wait for this to happen but to put a suitable proposal for a directive before Parliament without delay. I spoke of an absurd situation, but I do not want to go on about it too much. I merely wanted to say what I thought needed saying, and I hope you are in a position to give some precise replies to my questions.

Mrs Desouches (S). — (FR) Mr President, in December 1982 I took part in an extremely interesting international symposium organized in Rome by the Council of Europe, at which there was a long, very constructive debate on precisely the problem which Mr Sieglerschmidt has just raised.

In particular, we talked about what sort of an information policy there should be in our society and we affirmed that there could be no cutting corners in any discussion of this subject. Of course there is a wide range of different interests involved. But to subscribe to one point of view only, say commercial secrecy or companies' needs for a maximum of information,

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seems to me to be shortsighted. If there are differences of opinion these should be discussed, not kept secret. Moreover, we are talking about a technology which is developing at breakneck speed, and which has sociological and political implications which we must not underestimate. I am afraid that the Community is falling too far behind, and it seems to me irresponsible to decide to promote a technology, as we are doing, while at the same time refusing to consider the consequences.

In March 1982 I was one of those who wanted a European directive, both for reasons of standardization and for better protection of the citizens of Europe. I accept that ratification of the Council of Europe's convention would have been a step forward, since certain countries have no legislation in this field while others are preparing texts which fall short of the minimum requirements of the convention. The law currently being drafted in the United Kingdom is a case in point.

Nevertheless, the Council of Europe convention affords only minimal protection. There is nothing, for example, on the control of data banks; disturbing exemptions have been included to ensure that States need not apply the convention to certain computerized registers. Furthermore, many of these provisions are recommendations rather than obligations.

Nor does the convention, like national legislations, do anything about trans-frontier flows of information; this at a time when the OECD is constantly reasserting worrying principles to the effect that there should be no barriers to the transfer of personal data but that such data should be transferrable between Member States with no major obstacles. It therefore seems to be essential, and entirely in accordance with the objectives of the Community, to produce a directive setting out first and foremost to extend data protection to the trans-frontier transmission of all types of personal data.

Of course the directive should also cover such topics as systematic personal information, the responsibilities of those who keep registers, the setting up of a Community monitoring committee and the control of data banks. I entirely agree with Mr Sieglerschmidt on the need for this directive.

Mr Dalsager, Member of the Commission. — (DA) Mr President, Mr Davignon is naturally sorry that he was not able to attend the debate on this important question. On the other hand, Members will already be aware that members of the Commission often take over tasks for one another, in view of their many other obligations, and we naturally discuss the problems under consideration together. The experts we have for each of the various fields also hold joint discussions, so that we are able to answer the questions which arise in Parliamentary debates and which we naturally accept are matters of great importance and great interest.

I am not sure that there is any need for the Commission to influence the work of the Parliament more than it has done. I believe that the Commission will do its utmost to be present here during these negotiations which shows that the Commission has more interest in these negotiations than some Members appear to have.

(Applause)

I am very grateful to Parliament for the speed with which they have dealt with the draft programme and for the support in their motion, which will help to hasten the resolution through the Council. I am referring here to the Herman report. Like Parliament, the Commission regrets the delay in Council approval of the multi-annual programme and the reduction in resources granted as compared with what was requested. But apart from some results here and there achieved as the programme was implemented, this has made it possible to define more clearly and evaluate the need for Community intervention in certain areas and to confront the Community with certain challenges which it has been obliged and able to take up. It was by taking advantage of these positive aspects that it was possible to reach a more rapid decision on the micro-electronics programme and to develop fully the Esprit programme.

In spite of its limitations, the multi-annual programme on data processing has therefore played a positive rôle in the development of Community intervention in that field.

I would point out in this connection that the Esprit programme will be the first Community project with a strategic aim — that of putting European industry on the same footing as its competitors by 1990. This will be complemented by various projects within an overall strategy, the definition and implementation of which will undoubtedly be assisted by activities in the multi-annual programme.

In view of the difficulties with the administration of the programme in the first two years, the Commission has had to give priority to the second part. As a result of the success with the system of aid for applications in the second part of the programme, the funds allocated ran out at the end of 1981. The first part, which requires the greatest effort the most staff, had to be implemented more slowly. Budgetary implementation for that part will therefore extend over the whole of the period laid down — i.e. until the end of 1983. A proposal for the extension of the first part will be placed before the Council and Parliament as soon as possible. It will contain an outline of the resources for the continuation and expansion of the general projects planned for this first part for an additional three-year period. This will make it possible at the same time to continue both parts of the multi-annual programme.

In the field of standardization the Commission has, within the framework of the multi-annual programme,

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used the resources allocated to aid the development of European standards on the priority fields — i.e. standards for communication and programming languages, and to pave the way for coordination between national organizations in the standardization field with a view to achieving a joint stance in defending European interests in the international standards organizations — the ISO and CCITT. Studies to help in the elaboration of standards are under way, as is the survey concerning the multilingual keyboard. A programme has also been drawn up for priority projects which, above all, will help to see that standards are respected by authorities.

It is true that owing to a lack of resources the project for the public purchasing project was somewhat late in starting, but it is now in progress, and the definition of supplementary projects for Esprit within the context of an overall strategy will undoubtedly enrich the Commission's projects in this field, as in the case of the project in the field of standardization.

The second part of the multiannual programme is concerned with the application of new technologies. This entails the transfer of technologies already developed at the research and development stage to practical situations and marketing. This second part of the programme is not therefore concerned with research, nor does it contain any broad aims.

On the basis of the experience gained over the past two years with a view to making optimum use of the system, of aid, the Commission has nevertheless felt it advisable to concentrate upon two main fields which need to be given priority — namely the ADA programming language and the transnational information systems which use decentralized data bases.

It is true that very rapid progress is being made within the information technology sector and that it is essential to carefully monitor that progress to orient research and applications in the most promising directions. Such a mechanism is envisaged for Esprit.

ADA is no longer a new language; several applications of this language are being implemented or have already been completed. It has been registered as a standard with the ANSI — American National Standard Institution — since 17 February 1983, and the procedure for making it an international standard will begin at the ISO at the end of this month. ADA is, moreover, designed as a procedural language, and as such differs from certain other languages now being examined. It is not especially suitable for the implementation of programs intended for purchase for existing computers with sequential processing. It may also be used for a description of parallelism and is therefore suitable for use with future computer designs.

On this point, which was raised especially by Mr Sieglerschmidt and Mr Glinne in their question, I should

like to make a few comments concerning the preparation of an EEC directive on individual rights in the light of the developments we are now witnessing in data processing.

In the debate on 8 March of last year on Mr Sieglerschmidt's report on individual rights in the light of developments taking place in that field, the Commission stated that, in accordance with its recommendation of 29 July 1981, it would as a matter of priority endeavour to persuade Member States to sign and ratify the Council of Europe Data Protection Convention. The Commission also regards this initiative as a sign of good cooperation with the Council of Europe, which has frequently been called for by Parliament, and the Council of Europe has also done some outstanding work in the field of data protection.

So far as the Commission is aware, eight Member States have so far signed the convention, and only Ireland and the Netherlands have not yet signed. None of the Member States has yet to our knowledge ratified the Convention, but we expect that France at least will deposit the instruments of ratification this year.

In the meantime the Commission has embarked upon the preparatory examinations for the drafting of a proposal for a directive. All those who know about data protection will, however, confirm that this is a highly complex question and that a comprehensive and intensive preparation will therefore be required before such a proposal can be put forward.

The Commission will need to seek the help of experts in the various Member States for the preparation of the directive. It is not at present possible to give a precise date for presentation of such a proposal.

Nor is it possible at the moment to give a precise indication of the content of such a proposal. What is certain is that it cannot simply be confined to taking over the Council of Europe's convention. A proposal for a directive must answer a whole series of questions, which that convention does not solve, but which are expressly mentioned in Parliament's resolution of 9 March 1982, e.g. responsibility for passing on false data.

In conclusion, I should like to draw attention to one further point. The Commission does not at present have sufficient staff to draw up at high speed an acceptable proposal on data protection, which requires meticulous preparation. I should like to remind Mr Sieglerschmidt that, in the debate last spring, he stated that Parliament would support the Commission and would try to ensure that the preparation of such a proposal for a directive was not thwarted for lack of staff. That time has now come. By supporting the expenditure required for staff, Parliament must also demonstrate its political will to promote data protection within the Community.

Mr Sieglerschmidt (S). — (DE) Mr President, I am almost moved to tears. All I can say to the Commissioner is that I remember my promise very well. Since the Commission has shown a willingness to set to work on preparing the proposal for a directive, I am also prepared to do all I can to achieve the necessary staff increases. I have one question however. I appreciate, Mr Dalsager, that the Commission cannot yet give a precise date for submission of the directive. Nevertheless, I should be pleased if you could tell me, just so that I can have an approximate idea of the time-scale, whether it is likely to be submitted before or after the 1984 elections, or even before or after the turn of the century.

Mr Dalsager, Member of the Commission. — (DA) Mr President, I cannot give any precise date before or after 1984, but I can say that it will be before the year 2000.

Mr Kellett-Bowman (ED). — Mr President, I rise to ask the Commissioner whether he really expects the House to approve this opinion of Parliament tomorrow when the debate has not been answered. I ask this question because he did complain about their not being many people here. The box offices have not been busy and I think the absentees knew what I did not know — namely, that we were not going to get an answer to this excellent debate introduced by Mr Herman. I do think some of the points raised by these speakers should have been answered by the Commissioner. I ask him the question, in the absence of a reply to our debate other than a prepared speech, does he really want the opinion passed?

Mr Dalsager, Member of the Commission. — (DA) I am not quite sure what type of answer Mr Kellett-Bowman feels is lacking, but if there is some area I have not clarified we must of course take up the question and try to answer it.

President. — The debate is closed. The motion for a resolution will be put to the vote at the next voting time.

14. Information and consultation procedure for tax matters

President. — The next item is the report (Doc. 1-1331/82), drawn up by Mr Beumer on behalf of the Committee on Economic and Monetary Affairs, on the

proposal from the Commission to the Council (Doc. 1-918/81 — COM(81)729 final) for a directive establishing a prior information and consultation procedure for tax matters.

Mr Beumer (PPE), rapporteur. — (NL) Mr President, I will be very brief. The Economic and Monetary Committee finds the Commission's proposal extremely apposite and can therefore support it. Indeed, we can regard the proposal as necessary since we can unfortunately witness an increasing trend towards divergence in the field of taxation, which is a pity and for this reason the proposed prior consultation would be very useful. It also strikes us as a good thing that provisions have also been included concerning confidentiality and that exemption from this consultation procedure can be obtained in cases of urgency. However, I should like to put one question, Mr President. Is it in fact necessary to take confidentiality as far as the Parliament? Will it not turn out in practice that the Parliament finds out about government intentions anyway and would it not therefore be better if the Commission and the national parliaments were to be informed simultaneously? I do not think this need necessarily give rise to excessive problems and I think the Commission could perhaps look into this matter once more.

Mr President, the question of whether this proposal might not prejudice possible subsequent harmonization proposals was also discussed and I think that the Committee was right, when it reached its majority decision, in assuming that this measure was not so far-reaching as to justify things of this kind and I should like to conclude by saying that I think the Commission will go along with this view.

Mr Provan (ED). — Mr President, it is a great pleasure for me to take part in this debate tonight. I welcome the report by Mr Beumer, especially paragraph 3, where he points out that the proposed procedure is in no sense a guarantee that the measures adopted by the Member States will help to bring about convergent development of taxing within the Community.

I come from Scotland, and one of our major exports, of course, is a product called whisky, which is very often consumed by various Members of this Parliament at this time of night. The Scotch whisky industry has recently been experiencing a period of great difficulty, with a drop of at least 50% in capacity in recent years and a 25% fall in employment in the last three years. Scotland is one of the rural and peripheral areas of the Community, and there are really no other job opportunities. We must ask ourselves, therefore, what is the cause of this problem. One of the major causes is discrimination in taxation and I think Mr Beumer has got the problem well under control in what he is suggesting in this report, although it is all very well to talk and we really need to develop a far greater sense of urgency and try and achieve what must be achieved if we believe in fair competition between Member States in the various types of alcohol that are produced in the Community.

Unfortunately, there is an erroneous impression that Scotch is losing its popularity in the world. That is not

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the case. Discriminatory taxation is the real cause of the problem both inside and outside the European Community. Since we entered the European Community, tax discrimination against Scotch whisky has increased. We have only to look at the French bottle tax that was introduced recently: 8 francs was placed on every bottle of spirits, and there was no tax increase whatsoever on wine and beer. Alcohol, Mr President, should be treated as such; it should be taxed as such, and there should be no discrimination against different types of alcohol in the Community. That, I believe, is true of all taxation: we should not have discrimination where it can be avoided. We therefore welcome this report, and will be in favour of it when it comes to the vote.

Mr Dalsager, Member of the Commission. — (DA) Mr President, the Commission attaches great importance to this proposal. It has in fact observed that Member States frequently adopt measures regarding taxes and duties without regard either to the effects which those measures will have upon Community development or to the views of other Member States concerned. Such steps entail a serious risk of divergent development in the tax systems and may therefore hinder the tax harmonization which is so urgently required. The proposed procedure is intended to avert this risk and to encourage the approximation of systems of taxes and duties. In connection with the adoption of measures concerning taxes and duties, the national legislative bodies and, in particular, the parliaments will be able to take account of Community interests and possibly of the views of other Member States by virtue of the information they shall be able to gather.

I am pleased to note that your Committee on Economic and Monetary Affairs recommends the approval without amendment of the Commission's proposals. I hope that the plenary assembly will follow this recommendation, and I can also assure you that we in the Commission shall keep Parliament informed of developments in this field. I should like to thank the rapporteur and the committee for their work on this report.

President. — The debate is closed. The motion for a resolution will be put to the vote at the next voting time.

15. *Fish fillets*

President. — The next item is the report (Doc. 1-89/83) drawn up by Mrs Pery on behalf of the Committee on Agriculture, on

the proposal from the Commission to the Council (Doc. 1-938/82 — COM(82)698 final) for a regulation determining the import duties applicable to fish fillets obtained on board Community vessels from fish originating in third countries.

Mrs Pery (S), rapporteur. — (FR) Mr President, ladies and gentlemen, I apologize for having to inflict on you at this late hour a report which is perhaps a bit technical, perhaps a bit sterile, but which nevertheless is not without interest. I would therefore ask you to bear with me for two minutes.

The report concerns fish fillets obtained on board Community vessels from fish originating in third countries, and more particularly the customs duties payable on such fillets.

It may seem to be merely a technical measure, yet it could have significant economic and social consequences. As things stand at present, when a Community factory ship buys fish from third countries for processing on board it has to pay a tax on the value added resulting from the filleting process, although no such tax is payable by land-based factories which process whole fish imported from third countries.

One might therefore consider, quite rightly, that this amounts to discrimination against the factory ships and that it would be logical to change the rule by abolishing this supplementary tax, particularly since, with the extension of the limits of territorial waters to 200 miles, the Community ships have lost some of their fishing grounds and are therefore obliged to use fish bought-in from third countries in order to make their fishing operations economic. From this point of view, the Commission's proposal can be approved.

However, I would like to make one or two additional observations, and I would like to know the Commission's opinion on this subject.

The abolition of the tax would favour the factory ships, which could then provide a finished product more cheaply than the land-based factories. This would put jobs at risk in the land-based factories and would endanger the small-scale non-industrial fishing industry which supplies a part of the factories' requirements, thus resulting in disruption of the market. The value added tax which the factory ships pay is only one factor. We need to study all the factors which affect the cost of the finished product on board factory ships and in factories on land.

I would therefore like to see very serious consideration given to the possible repercussions of this new measure. One solution might be simply to lower rather than abolish the tax, or to introduce certain limiting conditions, for example by fixing minimum prices to be respected by the factory ships, which after all are nothing less than mobile factories. These suggestions are aimed at finding the best possible balance between the two types of processing and eliminating distortions of competition.

Mr Helms (EPP). — (DE) The Commission and the Council have both come in for some hefty criticism on

Helms

fundamental problems and procedures in the course of this debate, and in my view quite rightly so. You, Mr President, said just a little while ago that we ought to be nice to the Commission. I shall now try to follow your advice, because I would like to praise the Commission for submitting this proposal for a regulation on import duties applicable to fish fillets.

We are delighted to see the Commission acting so quickly, particularly when the agreement on the common fisheries policy was only reached on 25 January. As far as we are aware there is also wide agreement in the Council on the common fisheries policy.

The rapporteur, Mrs Pery, has already mentioned some of the main principles in her introduction.

I must mention, however, that although the Working Group on Fisheries twice debated this question it was unable to come to a conclusive decision, with the result that we had no proposal to submit to the Committee on Agriculture. The report was only approved on 22 March because the Council was pressing us on the grounds of urgency. The decision was pushed through in only one minute, despite the fact that there were many points which were still unclear. I should therefore like to add a few corrections to Mrs Pery's comments. Her motion for a resolution unfortunately contains a number of misunderstandings and even contradictions. She had promised to include a number of points which, unfortunately, do not appear in her report. I have therefore tabled a number of amendments on behalf of the Group of the European People's Party in order to clear up certain points. I want to make it absolutely clear that my group welcomes the Commission's proposal to the Council. We want to see the proposal implemented in full so that the Community's factory ships can remain viable by being allowed to process extra fish bought-in from third countries under the same conditions as those applying to factories on land.

This regulation, in our opinion, would not affect the basic principle of the new market organization, which is to ensure adequate producer prices for fish for all the Community's fishermen, although very tight controls would need to be introduced.

The amendments tabled by the EEP group cover all these points and I hope you will bear this in mind and support them in the vote tomorrow, both to ensure fair play and equilibrium in the Community's fishing industry and to eliminate the uncertainties facing everyone involved in the industry. Finally, I would urgently ask the Commission to fix the catch quotas for each type of fish well before the start of the season so that our fishermen can plan their operations to maximum advantage in the light of the quotas laid down and the market conditions. Otherwise the whole exercise is meaningless and uncertainty will continue to reign. I believe I speak for all groups when I say

that we regard this as an exceptionally urgent necessity.

Mr Battersby (ED). — Mr President, Mrs Pery, as always, has presented an excellent and realistic report, and in it she has expressed the justifiable concern of the Working Group on Fisheries and the Committee on Agriculture.

We do not want the Commission inadvertently to open the door to a practice where fish caught by non-Community vessels in third-country waters, and processed after transshipment on board Community vessels, is landed in the Community at prices below the levels set for our inshore and middle-water fishermen. The distant-water factory fleet is an integral and very important component of our fishing industry and must be maintained, because it provides fish in round and block form, and as processed products, at all times of the year, including the bad-weather months when the other sectors of the fleet are storm-bound. Of course, it can fish anywhere in the world.

However, the great majority of our fishermen are in the inshore and middle-water fleets, and their livelihoods must also be protected. I do not believe it is the intention of the Commission, or of the factory fleet operators, to depress landed price levels. However, we believe there is a potential weakness in the regulation here, which must be corrected. We ask the Commission to look very carefully at this aspect.

I have submitted two amendments which aim at clarification and I would ask the rapporteur, if she can, to accept them, because they are not aimed at weakening the report, but I do feel they are essential.

Mr President, under the common agricultural policy, agricultural prices for the main commodities are approved by the Parliament. Now we have the common fisheries policy, and I would like to suggest that reference prices for the main species should also be approved by the Parliament. I agree that this is a very complex matter and will require considerable consultation and negotiation between Parliament, Commission and Council. But I wish to put down a marker that we will wish to examine this possibility in depth.

Mr President, I believe that Parliament must insist in future that all proposals submitted by the Commission to the Council for measures to implement the common fisheries policy be presented to Parliament prior to final adoption in order to give us the opportunity to express our opinion and to be informed. Moreover, as has been the case in the past on external relations, we must continue to be consulted before ratification. I think this is a most important point.

On Tuesday I asked for, and was given, the Council's full support in consolidating our participation in establishing and developing the common fisheries policy. I

Battersby

am now asking the Commission for the same full support, and I hope that we shall receive tonight the same very positive and encouraging reply.

Mr Dalsager, Member of the Commission. — (DA) Mr President, I should like on behalf of the Commission to thank Parliament for supporting this draft regulation. I thank the Committee on Agriculture and in particular, of course, the chairman of the committee, Mrs Pery, for the thorough and objective approach to this proposal.

The Commission's proposal is intended first of all to abolish the duty on the value added on board Community vessels to fish originating in third countries and used as a raw material. The abolition of this duty entails applying the same rate in the Common Customs Tariff to Community processing undertakings, irrespective of their geographical location. Undertakings might thus be situated on land within a Member State or at sea on a factory ship flying a Member State's flag. The Commission has painstakingly examined the comments and the practical proposals contained in the report, specifically as regards the consequences of the proposal, partly in connection with the pricing policy followed by the producer organizations and partly as regards the need to preserve a balance between processing undertakings on land and at sea.

The Commission wishes in the first place to assure Parliament that those goods manufactured on board factory ships from fish originating in third countries are covered by the same rules and reference prices as equivalent goods imported without prior processing directly into the Community. As regards the consequences of the system for landed prices, as formed under the common organization of the market through producer organizations, the Commission intends to take steps to ensure that the figure used as a basis for the calculation of import duties is compatible with the rules applied when the same goods are imported into Community waters.

Finally, the Commission has noted Parliament's reservations on the possible expansion of processing methods on board factory ships using raw materials originating in third countries. It does not consider it possible to subject identical processes to different rules, and it cannot therefore agree that the proposed system should have limited scope and apply to only some of the processing methods listed. In order to take account of the reservations of a general nature which emerge from the report by Parliament's Committee on Agriculture, the Commission is prepared to subject the rules for controlling the proposed system to a fresh examination in the light of experience gained, and will send a detailed report to Parliament at the end of the first year on the way in which the system has been applied, so that we shall be able to get some idea to what extent and on what conditions the system can be retained.

I have a great deal of sympathy with Mr Helms' desire to see quotas for the various species laid down at an earlier stage and with greater rapidity, but I would point out to him that the Commission would naturally also like to see that, but it had to take account of the difficulties involved in the setting of quotas as soon as Mr Helms would like, since we must always wait for the results of negotiations with third countries and also from advice from biologists based on quite different data from those required to enable us to set the quotas before the beginning of the year, for instance. These are therefore the difficulties, but I do of course share Mr Helms' wish to see fishermen informed as soon as possible of the conditions governing their fishing activities for the years to come.

President. — The debate is closed. The motion for a resolution will be put to the vote at the next voting time.

16. Peas and field beans

President. — The next item is the report (Doc. 1-95/83), drawn up by Mr Eyraud on behalf of the Committee on Agriculture, on the

proposal from the Commission to the Council (Doc. 1-1165/82 — COM(82)786 final) for a regulation amending Regulation (EEC) No 1431/82 laying down special measures for peas and field beans.

Mrs Pery (S), deputy rapporteur. — (FR) Mr President, I shall be very brief. I am standing in for Mr Eyraud, who was called away urgently. He thought that his report would not be called until tomorrow morning.

I would simply say that the rapporteur, with the approval of the Committee on Agriculture, supports the Commission's proposal to maintain the system of aid for peas and field beans, but that, as mentioned in the motion submitted to Parliament, we would like to know whether the implementation of the regulations laying down these special measures has led to increased production of these crops.

Mr Dalsager, Member of the Commission. — (DA) Mr President, I should like to express my thanks to the deputy rapporteur and to the rapporteur, who is not able to be present this evening, for their report, as well as Parliament's Committee on Agriculture for supporting the Commission's proposal on this matter.

The system of aid for peas and field beans used as feedingstuffs was introduced in 1978. This is a system which should be seen against the more general back-

Dalsager

ground of Community policy on the supply of proteins in feedingstuffs, and which is intended in particular to promote the production of peas and field beans in the Community. In 1982 the system of aid was extended to cover peas and field beans for human consumption. The proposed regulation is intended to adjust the amounts of aid to be granted in certain special cases, in particular when peas and field beans are used unprocessed — i.e. not mixed with any other ingredients — as feedingstuffs for certain animals. In these special cases, peas and field beans of Community origin do not compete with soya cake imported from third countries. In such cases the aid should therefore be calculated on the basis of world prices for peas and field beans, and not on the basis of world prices for soya cake, which is not a competitor. This is why we consider there should be two systems.

Under present market conditions the aid granted for the products in question for the purposes in question is higher than it needs to be, and the Commission therefore considers that a reasonable level of aid must be found for these cases. As mentioned in the financial summary appended to the proposal, the Commission estimates that the proposed measure would save 1.25 million ECU in the Community budget. Clearly, if we wish to promote production within the Community of products which we import on the world market, then those products must be competitive with products on that world market. Here is where a distinction must be drawn regarding the purpose for which the beans are used, and that is why we have suggested this amendment.

President. — The debate is closed. The motion for a resolution will be put to the vote at the next voting time.

17. Vineyards

President. — The next item is the report (Doc. 1-92/83), drawn up by Mr Delatte on behalf of the Committee on Agriculture, on the

proposals from the Commission to the Council for

- I — a regulation amending Regulation (EEC) No 456/80 on the granting of temporary and permanent abandonment premiums of certain areas under vines and of premiums for the renunciation of replanting (Doc. 1-1209/82 — COM(82) 890 final);
- II — a regulation amending Regulation (EEC) No 458/80 on collective projects for the restructuring of vineyards (Doc. 1-1204/82 — COM(82)887 final).

Mr Delatte (L), rapporteur. — (FR) Mr President, several years ago regulations were introduced with the aim of improving the quality of vineyards in certain regions of the Community and reducing areas producing poor quality wine. The aim was to encourage wine growers, by means of premiums paid partly by the Member States and partly by the Community, either to restructure their vineyards or to grub up their vines and plant other crops instead.

The Regulations in question are No 458/80 on collective projects for the restructuring of vineyards and No 456/80 on the granting of temporary and permanent abandonment premiums in respect of certain areas under vines and of premiums for the renunciation of replanting.

Regulation 458 provides for the restructuring of a total area of up to 240 000 hectares over a period of seven years, financial aid being restricted to vineyards producing so-called 'table wines'. Experience has now shown that certain vineyards producing quality wines *psr* should also be entitled to this aid, and this is the idea behind the proposed amendment, namely to give such vineyards access to the premiums available. The Commission proposes fixing a ceiling of 60 000 hectares for vineyards producing quality wines *psr* out of the total of 240 000 hectares which I mentioned a moment ago, the balance of course being strictly reserved for table vines.

As for Regulation No 456, this provides for the payment of temporary and permanent abandonment premiums and premiums for the renunciation of replanting in respect of certain areas under vines. It excludes the Charentes region for the simple reason that this region has its own directive providing for financial aid for the conversion of 7 500 hectares. Although 4 000 hectares have so far been converted, the directive has now expired. Charentes therefore needs access to Regulation 456 to enable the remaining 3 000 hectares to be converted, and this is what the Commission proposes.

The additional cost of this over five years would be 5.5 million ECU, which amounts to 1.1 million ECU per year. The 1.1 million for 1983 is already provided for in the budget. The Committee on Agriculture proposes that the Commission's proposal be accepted. It also notes that a special directive for the Languedoc-Roussillon area is due to expire on 18 June 1983 but that the problems of wine-growing in this area are far from being resolved. It therefore proposes that the directive in question be extended so that this vital programme can be continued and calls on the Commission to submit a proposal to this effect. At the same time, it calls for a report on the action taken up to now.

Mr d'Ormesson (EPP). — (FR) Mr President, the hour is late and I shall therefore be brief. The granting

d'Ormesson

of relatively large premiums for the conversion of areas under vines has in fact stabilized wine-growing in the Community. The total area under vines in 1980, including Greece, was approximately 2 600 000 hectares. The reduction in the following year was in the order of 20 000 hectares, i.e. less than 1%. This is a low average decrease, but it includes decreases of approximately 3% in the Federal Republic of Germany and over 2.5% in France. The decrease in Italy was less than 1%, whereas the area under vines in Luxembourg remained constant. The accession of Greece in the same year meant it was impossible to make a true assessment.

The Commission's proposal that the regulation be amended to include within its scope the Charentes region seems especially justified — and I thank Mr Delatte for having emphasized this point — given that the over-production of cognac is seriously disturbing the market by spilling over, quite naturally, into the table wines sector. Equally, it seems reasonable to extend the programme of restructuring and conversion of vineyards in Languedoc-Roussillon, since the crisis in that area is giving even the most hardened souls cause for concern.

I must say, however, that the inefficiency of the Languedoc-Roussillon programme owes a very great deal to the technocratic and socialistic nature of the scheme, whereby growers, in order to qualify for restructuring aid, need to belong to a producers' cooperative and to propose restructuring at least 100 hectares.

For my part, I attach more importance to the measures already voted by this House, such as the obligation to produce, and regularly update, a viticultural land register, which is the only real way of monitoring the areas grubbed up or planted, and, on the same principle, to set up a Community fraud investigation service. Before such measures can be taken, however, the Council of Ministers will need to stir itself and awaken the Sleeping Beauty which it has made of Europe.

Mr Hord (ED). — Mr President, perhaps I should apologize for introducing a note of disharmony into this debate at this late hour. I am conscious that I am surrounded by a huge number of Members who are very much in favour of the wine sector. However, I think we should recognize that there are always two sides to any story or situation and that, apart from the benefit to the wine industry of the Community, we are talking about taxpayers' money. As Mr Delatte says, something between 5 and 6.6 million, depending on how many years you take into consideration, is to be spent as part of a restructuring exercise. This is over and above something like 463 million ECU which goes annually to the wine sector in the Community.

It is so easy to forget that the Community does not want any more wine. We have millions of litres of sur-

plus wine and we have millions of litres of surplus wine alcohol. I suggest that the Commission should seriously consider whether it should go on pursuing all sorts of restructuring ideas with financial aid, having regard to the structural surplus situation that prevails here. I agree that it makes good sense to assist those people who currently produce poor-quality grapes and that they should be encouraged to grub up and move into some other product. I have no quarrel with that at all. When it comes to conversion premiums, however, I am not sure that we are on such good ground. What we are really saying is that we want to encourage the production of more wine, and I believe that as part of this situation we shall see, not unreasonably, a high degree of improved production and with it a substantial upgrading of efficiency. I believe that the wine sector, with its long history, should be able to reorganize itself. If the premiums paid and the general subsidies which come from the Community are of a reasonable order, surely that industry can restructure itself in the light of the demands without extra feather-bedding from the taxpayers of Europe.

I am reminded of what has happened in the dairy sector. Again you had a structural surplus, lots of aid for conversion premiums, suckler premiums and so on. Now, however, we have a growing production of milk, and many dairy farmers who had got out of the dairy business, certainly in the northern hemisphere, now realize that it was a good area to be in and are going back, and there is a very worthwhile market in secondhand dairy equipment. So I would submit, Mr President, that we should think twice before we have structural aid being spread around the wine sector and that it is incumbent upon the wine sector itself to put its own situation in order in moving up to the higher-quality wines, rather than expect to be nursed by the European taxpayer for ever and a day. This may well be the year in which we shall break through the 1% VAT ceiling because of excessive agricultural spending.

I am appreciative of the fact that the Commissioner is here, and I hope he will take the message back that the Commission might reconsider the manner in which it deals with structural aid in the areas where there is such a large surplus of production.

Mr Dalsager, Member of the Commission. — (DA) And so gradually we have touched upon some of the fields in which I have responsibility, namely the proposals which we are considering here and on which Mr Hord has just commented somewhat forthrightly. The proposal is in fact intended to improve the structure of wine production, and the result should be that we produce slightly less wine but of a better quality. This is one aspect of our agricultural policy, but I take Mr Hord's comments, as usual, to heart. We are constantly monitoring the various systems which have been started, partly in Parliament and partly in the Council on the Commission's proposal.

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As regards these two proposals, I would nevertheless ask Mr Hord to try to support them, and I should like to thank the rapporteur for his outstanding and comprehensive report. The Commission attaches great importance to this highly sensitive field and has on many occasions made proposals on restructuring measures to the Council to promote a better and more lasting balance.

The restructuring measures adopted in 1976, which paved the way for the reallocation of 85 000 hectares in France and Italy, were supplemented in 1980 by other measures which, taken as a whole, constitute the programme of action in this field for the period 1980-1986. These measures, introduced by means of regulations or directives so as to take account of highly specific situations, are intended to create a better balance between supply and demand, particularly as regards table wines.

Since effective implementation of these measures will take a considerable time, the Commission is proposing extensions or amendments to enable the problems encountered en route to be overcome once this system is re-implemented. These two amendments, on which the European Parliament is to give its opinion, must be seen in this light, and adoption of these proposals will make it possible to continue the work of implementing the programme of action even more effectively. We believe that this is ultimately in our interest.

President. — The debate is closed. The motion for a resolution will be put to the vote at the next voting time.

(The sitting was closed at 11.45 p.m.)¹

¹ Agenda for 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.

MOTIONS FOR RESOLUTIONS 'DIOXIN'

- WALTER (Doc. 1-139/83)
- ALBER (Doc. 1-155/83)
- SQUARCIALUPI (Doc. 1-158/83)

replaced by

AMENDMENT NO 1 WHICH WAS ADOPTED

- de la MALENE (Doc. 1-156/83): REJECTED

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GLINNE MOTION FOR A RESOLUTION (Doc. 1-136/83 'Murder of Marianella Garcia Villas'): ADOPTED

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MOTIONS FOR RESOLUTIONS 'ETHIOPIA'

- CHRISTOPHER JACKSON (Doc. 1-123/83)
- VERGEER (Doc. 1-134/83)
- VERGES (Doc. 1-143/83)

replaced by

AMENDMENT NO 1 WHICH WAS ADOPTED

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MOTIONS FOR RESOLUTIONS 'CSCE'

- LORD BETHELL (Doc. 1-137/83)
- HABSURG (Doc. 1-147/83)

replaced by

AMENDMENT NO 1 WHICH WAS ADOPTED

— **DONNEZ (Doc. 1-138/83): ADOPTED**

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**SEEFELD MOTION FOR A RESOLUTION (Doc. 1-122/82 'Eurocontrol'):
ADOPTED**

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DELEAU REPORT (Doc. 1-979/82 'Pharmaceutical products'): ADOPTED

The rapporteur was:

- IN FAVOUR of Amendments Nos 2, 4, 7, 9, 11, 23, 27 and 28 (second part);
- AGAINST Amendments Nos 1, 3, 5, 6, 10, 13, 15, 16, 20, 21, 24, 25, 26, 29 and 30.

Explanations of vote

Mr Bournias (EPP). — (GR) Since I have expressed my surprise that five years had to pass before such an important subject, directly concerning the health of our peoples, was debated, I now declare that I shall vote for the motion for a resolution as amended, in which the rapporteur, Mr Deleau, carefully examined all aspects of the problem and proposed the best possible solutions earning the congratulations of the Commissioner, Mr Narjes, and of the other Members of Parliament.

I would like to think that the competent Community bodies will take the necessary measures in good time, in accordance with Article 100 of the Treaty of Rome, with a view to the harmonization of national legislation on the supervision and checking of the production and consumption of pharmaceutical products in the Community.

In Greece the health sector is undervalued. In 1978 the Social Security Institute allocated half of its funds to pensions — 29 915 million drachmas as against 13 906 million for health — and the same ratio also applied to the period 1979-81. In 1982 the funds for health were limited to one third of the total, and the estimated ratio for 1983 is 121 677 million for pensions as against 40 223 million for medico-pharmaceutical care.

With regard to the Greek pharmaceutical industry, which has recently been facing serious problems as a result of the socialistic programmes of the present government, the Community measures and the harmonization of national laws are eagerly awaited in the hope that they will improve the situation of public health in Greece.

Mr Adamou (COM). — (GR) Mr Deleau's motion for a resolution does not put forward effective measures for such an important sector as that of health. It is essentially restricted to coordination by the Community authorities and to the activity of the private research laboratories, which are in essence in the hands or under the control of multinational companies which make vast profits by charging a high price for pharmaceutical products. However, whereas the pharmaceutical industry of the multinationals still retains its competitiveness and export potential, and thus makes excessive monopolistic profits, this does not apply to the national pharmaceutical industry of small States such as Greece.

There are at present in Greece 96 pharmaceutical factories which are working at only 20% of their productive capacity and account for scarcely 15% of production, whereas, in 1964, 64% of the pharmaceutical products consumed in Greece were produced by

Greek industrial undertakings. Yet today Greece is absolutely dependent on the multinationals for both technology and raw materials. The cost of pharmaceutical products is high, and 3.5 million people are obliged to obtain supplies on the free market because they lack pharmaceutical care. Pharmaceutical products are also burdened with various taxes, duties, advertising costs etc. which raise their final price by 40-45%.

According to a study of pharmaceutical products in Greece by the Foreign Trade Information Service of the Federal Republic of Germany, monopolistic profits have quadrupled in eight years. The Greek Social Services Ministry took certain measures in an attempt to protect this sector from profiteering and false or misleading advertising. However, the EEC opposed this attempt directly and indirectly, and is trying to frustrate it.

The motion for a resolution before us, although it has some positive aspects, strengthens the monopolies instead of attacking them, and for this reason also we shall vote against it. We are in favour of any measure which constitutes positive action to protect the national pharmaceutical industries of the Member States and contributes to international cooperation in the field of research, technological cooperation, production and distribution of pharmaceutical products.

Mr Papantoniou (S). — (GR) The PASOK Members of the European Parliament will vote against Mr Deleau's report because two amendments by Mr Welsh were accepted — Amendments Nos 15 and 16 — which contain unfounded criticisms of the Greek Government's policy in the field of pharmaceutical products.

I would like to stress the structure of the national pharmaceutical industry in Greece is such that it is only concerned with the production of certain basic 'inputs' and not with the final products. However, all possible care has been taken to ensure that the Greek pharmaceutical industry will compete on equal terms with private undertakings whereas the legislation does not discriminate at all against imported products.

I would also like to express my surprise at the fact which the rapporteur, Mr Deleau, also mentioned — namely that amendments containing specific criticisms of the policy of Member States were laid before the whole Parliament without first being submitted for consideration by the appropriate committee.

Mrs Krouwel-Vlam (S). — (NL) Those who keep a close eye on health matters, including health in the developing countries, will certainly be aware of the existence of certain deceitful practices. To give an example: anabolic steroids are very rarely used in Europe because of their serious side-effects. They can cause tumours of the liver and are very dangerous for children. Yet they are sold in Bangladesh by a Dutch firm, Organon, which advertises them, would you believe, as 'very good for children, makes them big and strong'. There is no mention of the possible side-effects. I could give lots of similar examples. It was to counteract such abuses that I submitted my amendments, and I greatly regret that this House did not see fit to support them; in rejecting them, it also undermines the work of the World Health Organization and the United Nations on behalf of our fellow-men both at home and abroad. Nevertheless, I support Mr Deleau's report since it seems to be based in large part on the motion tabled by the Socialist Group, and that is a good thing.

Mrs Desouches (S). — (FR) Mr President, I am somewhat surprised at the amendments which have just been voted and at the way in which this House views the pharmaceutical industry. In my opinion the pharmaceutical industry simply cannot be regarded as an industry like any other, since health is such a vital matter. We are living in a world — and, as we in this House are only too well aware, in an economic system — where everything has a price, where anything can be bought or sold and where there is nothing which cannot be turned into profit. Accordingly, I considered it essential that certain texts aimed at restricting abuses be adopted. The texts in question have been rejected. Parliament has refused to put information on pharmaceutical products under public health control. Parliament has deleted the report's provisions on abusive commercial practices, and I find this totally unacceptable.

As happened during Monday's discussion of the relations between Europe and the developing countries in connection with the report on breastmilk substitutes, Parliament again seems to have overlooked what I would call the rights of the developing countries. I believe that the developing countries have the right not to be swamped by over-priced, sometimes dangerous products, products which are ill-suited to their living conditions and which Europe, in some cases, does not want for itself. I believe that the developing countries have the right to be properly informed at all levels about the properties of the medicaments sold on their markets; that they have the right not to see Western drugs ousting their own traditional medicaments, which are often cheaper and just as effective; that they also have the right to develop their own pharmaceutical industries so as not to be dependent on others. All this was contained in the amendments which, much to my regret, were rejected. I shall therefore abstain from the vote on this report.

Mr Bonaccini (COM), in writing. — (IT) The Italian members of the Communist and Allies Group will be voting in favour of Mr Deleau's report on the production and use of pharmaceutical products in the Community. In such a delicate field, which is wide open to the influence of pressure groups and of the multinationals involved in today's market, the report contains a number of aspects which we consider important: the fundamental role which the Commission must play, firstly in orienting production via research; secondly in coordinating research within the Community; thirdly in creating an orderly market by ensuring that the rules of competition are strictly applied; fourthly in creating a European market by harmonizing Member States' legislation in this field; and fifthly, in monitoring consumption and user information. In addition, we are pleased that the report recognizes the importance of this industry, which, despite the present economic crisis, has managed to remain competitive, to maintain its workforce and to retain its export capacity. To conclude, therefore, we are in favour of attempting to develop the pharmaceutical industry by seeking solutions, even if only partial solutions, to the various problems involved, particularly in view of the fact that the Japanese, who have so far been net importers, are on the point of breaking into this sector too and becoming dangerous competitors on the world market.

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SQUARCIALUPI REPORT (Doc. 1-91/83 'Consumer protection'): ADOPTED

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SQUARCIALUPI REPORT (Doc. 1-79/83 'Medicated Feedingstuffs'): ADOPTED

The rapporteur was:

— IN FAVOUR of all the amendments.

Explanations of vote

Mr Petersen (S), in writing. — (DA) On behalf of the Danish Social-Democrats I should like to express our regret at the fact that we are unable to vote in favour of the Deleau report. The reason is not that we are against common regulations on the manufacture and use of pharmaceutical products in the EEC. The reason is, firstly, that points 18 and 19 of the report, in particular, touch upon more aspects of health policy than we feel is justified on the basis of the Treaty of Rome. Secondly, these points allot to the Commission a supranational role — particularly as regards implementing an information and education campaign in the individual Member States — which is neither formally justified nor reasonable.

We regret that, as so often in the past, Parliament has once again found it difficult to restrict itself to cooperation between the ten Member States on the basis of the Treaty of Rome. That, Mr President, is why we have no choice but to vote against Mr Deleau's report.

Mrs Seibel-Emmerling (S), in writing. — (DE) I shall be voting for the report, although I very much regret the fact that the majority has seen fit to delete the clause 'noting with dismay and concern that US legislation on harmful products is not as stringent as it used to be and, indeed, is tending progressively to reduce or even to abolish altogether the seller's responsibilities to foreign purchasers of dangerous substances', as well as the proposed item 3 which criticized the current state of US legislation on protection of the consumer against harmful substances.

I much preferred the report in its original form. It grieves me that the right-wing majority in the European Parliament should be so reluctant to voice the slightest criticism of current US policy, even though this policy is clearly also detrimental to the citizens of our Community.

SITTING OF FRIDAY, 15 APRIL 1983

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IN THE CHAIR: MR DANKERT

President

*(The sitting was opened at 9 a.m.)*¹

1. *Votes*²

DEL DUCA REPORT (Doc. 1-94/83: Organ transplants)

President. — The first item is the vote on the *motion for a resolution (Doc. 1-94/83) by Mr Del Duca: Organ transplants*

Mr Israël (DEP). — *(FR)* Mr President, I should like to make a purely semantic comment. The French

order paper contains the words 'transplantation des organes'; I would prefer 'transplantation d'organes'.

(Laughter)

SABY REPORT (Doc. 100/83: '1982 EP Expenditure')

(After the vote on the motion for a resolution as a whole)

Mr Aigner (PPE). — *(DE)* Mr President, I assume this means that the corrigendum as it stands was passed and paragraphs 8 and 9 deleted.

President. — That is correct, Mr Aigner.

HERMAN REPORT (Doc. 1-1312/82: 'Data-processing')

After paragraph 7 — Amendment No 1

Mr Sieglerschmidt (S). — *(DE)* Mr President, I wished to point out that the second part of the amendment has been made superfluous by the answer given yesterday to the oral question with debate tabled by

¹ Approval of the Minutes — Documents received — Petitions — Transfers of appropriations — Procedure without debate (Rule 99 of the Rules of Procedure: see Minutes.

² See Annex.

Sieglerschmidt

the Socialist Group, but I leave it to your discretion whether we still vote on the second part.

President. — Mr Sieglerschmidt, if the amendment is not withdrawn by the Legal Affairs Committee, things will remain as they are.

PERY REPORT (Doc. 1-89/83: 'Fish fillets')

Paragraph 1 — Amendment No 3

Mrs Péry (S), rapporteur. — (FR) Mr President, I should like to make a short comment for the attention of my colleagues, especially those from the Committee on Agriculture and the Working Party on Fisheries. This report was taken very late yesterday evening and Commissioner Dalsager, in view of the points in this report, proposed coming back in a year's time to give this House a full report on the effects of this new regulation. I therefore feel I can withdraw a certain number of reservations in my report and I leave it up to the House in a free vote to decide on Mr Helms's amendment.

Paragraph 3: Amendment No 5

Mrs Péry (S), rapporteur. — (FR) Mr President, if Mr Helms agrees that this amendment be an addition, I think we can accept it. If it is a replacement, I would suggest a free vote.

President. — Mrs Pery, the amendment clearly seeks to replace the original text, since it says 'this paragraph to read as follows'. It should therefore not be regarded as an addition but rather as an amendment seeking to replace the whole text.

Mr Helms (PPE). — (DE) Mr President, ladies and gentlemen, Commissioner Dalsager said yesterday that this regulation would be fully applied for one year, which is our wish. That is why these amendments were tabled on behalf of my group. I agree with the addition as formulated in Mrs Péry's proposal. We agreed on this yesterday. The regulation is now worded the way we wished in my amendments.

Paragraph 4: Amendments Nos 6 and 1

Mrs Péry (S), rapporteur. — (FR) I should like to comment on Mr Helms's amendment. If he agrees to an addition, I think we can accept it.

I am in favour of Mr Batterby's amendment.

President. — I do not think it would be a good idea to add too many amendments to the existing text.

Mr von der Vring (S). — (DE) Mr President, since this results from yesterday's debate, for its own sake you ought not to discourage it. I think that Mr Helms agrees to take this as an addition. This covers real interests and is not mere verbiage.

2. Hunger in the world

President. — The next item the report (Doc. 1-114/83) by Mrs Cassanmagnago Cerretti, on behalf of the Committee on Development and Cooperation, on the

Proposal from the Commission of the European Communities to the Council (Doc. 1-1302/82 — COM(83) 16 final) for a regulation on the implementation of the special programme to combat hunger in the world.

Mr Seligman (ED). — On a point of order, Mr President, last night we had a duty Commissioner here, Mr Dalsager, who was patently incapable of commenting on the subjects discussed in the debates, except for his own subject. It was a perfunctory performance, and when he was asked what his comments were on the points made in the debate he said: if you will repeat those points, I will find an answer for them. In other words, he was asking us to go right through the debate again. Now this is a technique brought in by the Commission because they think the Thursday night sitting is not important. It is important.

I do think you should protest to the President of the Commission that the Commissioners available that night should be in a position to comment on the debate. I do not think we should accept this idea of a perfunctory duty Commissioner on Thursday nights.

President. — Mr Seligman, I have taken note of what you said.

Mr Deschamps (PPE), deputy rapporteur. — (FR) Mr President, the campaign against hunger in the world has quite rightly been debated frequently in this House over the past few years, and I wish to remind you, briefly but sincerely, that it was the last concern of our late colleague Victor Michel.

The report drawn up by Mrs Cassanmagnago, which I have the honour of introducing on her behalf, deals with the implementation of the special programme set up to organize the anti-hunger campaign in the most effective way. Formally speaking, it concerns the regulation drawn up by the Commission and presented to Parliament by the Council for our opinion.

We shall proceed on the basis of a report which Mrs Cassanmagnago-Cerretti wished to keep brief, clear

Deschamps

and precise, a report which because of this, I hope most of you will have studied, a report which has been adopted unanimously by the Committee on Development and Cooperation. In my introduction, therefore, I need only take up five points which I think essential.

The first point is that the European Parliament should approve the draft regulation, as the Committee on Development and Cooperation has done — and this because it believes that this regulation will facilitate the implementation of this special programme which it considers very valuable. There are, however, two reservations on that score which are expressed in two amendments which I have every reason to believe the Commission is prepared to accept. We think the Commission should supervise the implementation of this programme and that therefore the Council should not merely set up a management committee, as stipulated in Article 1 of the regulation, but a consultative committee so that there is proper consultation except in emergencies calling for a rapid decision; in these cases, consultation would be difficult if urgent action was to be assured.

The second point is that the action suggested in this regulation is both important and novel. But I must say that in view of the real importance and innovatory nature of these actions the accompanying budgetary proposals are highly inadequate; 50 million, Mr President, is better than nothing, but does not really enable us to do much.

Thirdly, we think that this regulation is a good starting-point but little more than that at the present stage. Indeed, certain resolutions passed by the European Parliament which contained many other ideas have not been taken up by the Commission. This means that we shall not have heard the last of it once the regulation has been approved and this motion for a resolution adopted; mind you, I do not think the Commission has any illusions about that. As I said, it is a good starting-point; but we expect it to be followed through and would like to see other initiatives proposed by this House resurrected.

Fourthly, we simply must take up the Council's decision on principle to authorize multi-annual financing. Mr President, one characteristic of the development cooperation policy which Commissioner Pisani and the Committee on Development and Cooperation wish to pursue is that we should no longer be limited to reacting to events but should pursue development strategies.

But how can we pursue development strategies if we are restricted by annual budgets? It is absolutely essential for us to have multi-annual budgets if any worthwhile action is to extend over a certain number of years.

Fifthly, and finally, we think the Commission should keep the responsibility of management and that this

regulation should enable it to act with flexibility and thus to meet emergencies when the time for action arrives.

Mr President, as I said, the Committee on Development and Cooperation adopted this motion for a resolution unanimously. And I invite all Members of this House to follow its example and adopt the motion for a resolution unanimously. But there is another thing, Mr President, because the importance of this vote in the House goes well beyond the mere problems of development, important though they may be. This vote will enable Parliament for the first time to use the budget as a means of promoting new policies. This is a step forward for Europe and for this House, and I am pleased that this step has been taken in the field of cooperation, which we have long wanted to see become a real policy for this Parliament, for Europe and for the Community. That is a further reason for asking not only all those who are especially concerned about the problems of development but also all those interested in Parliament extending its powers and becoming more effective in legislative matters to support this motion for a resolution. Mr President, I do not consider it necessary to dwell on this point at greater length and I place my trust in this House.

(Applause)

Mr C. Jackson (ED). — Mr President, the Commission proposal says that this special programme to combat hunger in the world, inserted in the 1983 budget as a result of the firm will of this Parliament and acceded to by the other arm of the joint budgetary authority, is the culmination of Parliament's great debate on the subject. Indeed, it is true that this is an important achievement, and achievement completely supported by my group.

But it is not the end of the road, far from it. The more we see of the problems of hunger, the more we realize the vital importance of agricultural development to the poorest countries of the world. Food strategies, which this aims to support, are an approach that is yet unproven but of major promise, and we think it is of great importance that the European Community presses forward as fast as possible in helping developing countries to grow their own food. To continue to pour out our expensive food surpluses in food aid is wrong save in two cases — first for the emergencies that, alas, arise all too often, and second, as part of the food strategies of which I have been speaking. So we see this regulation to implement the 1983 budget as an important step on a new road. The funds provided this time are small, a mere 50 million ECU. Furthermore, they are non-differentiating, which means that they have to be spent during this budgetary year or they will be void. This means that speed in administration is important.

For this reason, I am entirely with the rapporteur's view on the subject. We shall support the Committee

Jackson

on Development and Cooperation's important amendment, which reinforces the executive power of the Commission by using a Consultative Committee rather than a Management Committee. Like the rapporteur, I see this as an extremely important report, important both constitutionally and for European Community development policy, and I hope it will be supported unanimously by this House.

Mr De Goede (NI). — (NL) Mr President, we welcome this proposal for a regulation for two reasons, firstly because this is the first time that Parliament has used its authority to use the budget to promote new Community actions, and also because of the specific content of the proposal. We have long been convinced that a development policy should basically be aimed at removing the causes and not just combating the symptoms.

As regards food aid, this means that top priority should be given to helping the developing countries themselves to become as self-sufficient as possible. That is the most effective way of combating hunger.

As for the loss of farming land through the formation of deserts, the Commission proposal opts for measures for prevention in addition to cure, specifically not only reforestation but also a rational use of energy, and this approach meets with our total approval.

Mr President, on the management of the programme we agree with the opinion from the Committee on Budgets and the motion for a resolution in paragraph 5.

We shall therefore also support the amendments tabled by the Committee on Development and Cooperation to Articles 8 and 9 of the proposal for a regulation.

Otherwise we totally support the Commission proposal, as we do the rapporteur's motion for a resolution. We shall vote in favour of both.

Mr Johnson (ED). — Mr President, I will take advantage of the somewhat quiet period this morning to allude to a topic which is not very often raised in this House but which, I think, is fundamental to the kind of proposal we are talking about today, and that is the demographic question, which is very much implied whenever we talk of programmes to combat hunger in the world. The total population of the world in 1982 was estimated at 4 586 million people — 4.6 billion people. Of this total, 3.5 billion people — 75% — lived in the developing countries. Historically, from the origin of mankind to the end of the 18th century, the world population reached only 1 billion people. The second billion followed in little more than a century, between 1880 and 1925, and the third and fourth billions occurred in 50 years, between 1925 and 1975.

World population today, Mr President, is growing at 1.7% a year, which means a doubling time of 41 years. The developing countries are growing at a much faster rate, with a doubling time of 35 years.

In 1950, there were only four countries with a population exceeding 100 million. The number of such countries is expected to increase to 11 by the year 2000, and I name them: China, India, the USSR, USA, Indonesia, Brazil, Bangladesh, Pakistan, Nigeria, Mexico and Japan.

The level of fertility, of course, as measured by the crude birth-rate, varies from country to country. It exceeds 50% per thousand population in some countries, including Kenya and Malawi, Mauritania and Niger. A crude birth-rate of over 45% is quite common in 28 countries of Africa and 7 countries in South and South-West Asia.

Despite current and projected declines in fertility, the world will be adding another 1.6 billion people by the year 2000. The projected world population of 6.1 billion for the year 2000 will continue to grow in the 21st century and is expected to reach 8.1 billion in the year 2025.

I do not think it is possible to have a perspective on the problem of hunger in the world without having also a perspective on the demographic question. The demographic question, to my mind — and I have believed this now for over 30 years — is fundamental when we are dealing with the questions of food, housing, health, education, social security or environmental pressures. These are fundamental issues. For many years there has been an international attempt to bring the international agencies to address these problems, and to address them seriously. We had a world population conference in 1974. We have had the creation of the United Nations fund for population activities, which, working together with the International Planned Parenthood Federation, has been at an increasing rate trying to assist those countries who wish to receive help in dealing with their demographic problems.

I stress this very clearly. A lot of nonsense is talked about those people who are concerned with population problems and population pressures. Glib words are spoken about people wanting to take a short cut to development, wanting to economize on the resources. 'Get a better bang for the buck', I remember, was a phrase used. This is glib talk. There is nothing in this talk of racialism, of genocide, of imperialism, of neo-colonialism. I do beg people who use these words to give credit to the opposition which they seek to attack.

The main concern, I think, now is that there should be a way of assisting countries who wish such assistance to come to grips with the appalling pressures of population which they face. No amount of special aid programmes, food programmes, assistance of one kind or

Johnson

another, will help if they cannot at the same time get to grips with the demographic factor.

Over the last few years, in the framework of development policy and development programmes, there has been an attempt to build in demographic thinking, demographic planning into the general structure.

I do not want to presume too long on our time this morning, but I was very encouraged — I think we all were very encouraged — to read that at the last meeting of the ACP-EEC delegation in Kingston, Jamaica, a resolution was passed which called upon the two parties to the Lomé Convention to give some serious thought to the ways in which the demographic question could be addressed — to study it jointly. In specific terms, of course, we stand here as a Community institution disposing of Community resources. The Commission has an aid and development programme. More than that, it seeks to coordinate, after a fashion, the development policies, the aid and cooperation policies of the ten Member States. Increasingly, I think, we must look to the Community institutions to overcome the natural reticence which they have felt over the years in this area. We must look to the Lomé institutions, to the bilateral-aid agencies of the member countries, to give help to those countries who ask for help in this area of population policy. It is to my mind, Mr President, one of the most valuable things which can be done. We have been encouraged here, of course, to hear Professor Pisani speak in realistic terms about this problem. We have been encouraged by the support which is now being given to the United Nations agencies by Community countries. But I hope it will, in the long run, be possible to go further. And in a completely non-Malthusian way I am desperately anxious to get away from polemics on this issue and to make it clear that we are talking about a partnership. It ought to be possible to go further and to bring to the attention of the world, and certainly the world within Europe, the dimensions of the problem.

(Applause)

IN THE CHAIR: MR MØLLER

Vice-President

Mr Contogeorgis, Member of the Commission. — (GR) Mr President, first of all I would like to thank the rapporteur and the speakers for their observations and for the care with which they have examined the Commission's proposal for a regulation on combating world hunger. I also thank the Committee on Development and Cooperation and the other committees from which opinions were sought for their conscientiousness, and for the speed with which the pro-

cess of examining the proposal for a regulation was carried out.

This proposal by the Commission is of great importance. It has, in fact, a special significance in two ways. Firstly, it puts forward an experimental plan of action aimed at helping the developing countries to achieve self-sufficiency in foodstuffs — gradually, of course, because great effort will be required — and to safeguard their natural environments. It is an initiative that can render very positive results as the years go by, and only its success will reduce the reliance of these countries on food aid in combating hunger.

Secondly, for the first time it implements the joint declaration signed by the Council, Parliament and the Commission on 30 June last year at the end of the so-called tripartite discussions. In fact, we now find ourselves facing one of the characteristic situations presaged by that declaration — namely, that the Commission is unable to embark on an important new course of action by simply writing in the respective budgetary appropriation, but that this requires the issue of a regulation beforehand.

With regard to the rapporteur's observation that the sum of 50 million ECU is inadequate, I would like to say that, certainly, this sum does not suffice for tackling the matter fully. However, we should be pleased that a start has been made. Of course, if the programme is to be gradually extended much will depend on the allocations made available next year and in following years, and in this respect the rôle of Parliament will be decisive.

The opinion that it seems Parliament is about to pronounce on the Commission's proposal for a regulation is basically positive. Nevertheless, there is an amendment which makes reference to the decision-taking procedure on matters to do with financing and to the mode of operation of the Management Committee. The Commission has chosen and proposed the so-called ERDF type of procedure. This is the procedure used to govern the affairs of the European Regional Development Fund. On the basis of this procedure the Commission is able, as has been shown in practice, to act very quickly in taking decisions with immediate effect provided that the Management Committee, consisting of representatives of the Member States under the chairmanship of a Commission representative, gives prior sanction. When this is not forthcoming, the Commission has immediate recourse to the Council and the implementation of its decisions may be delayed by two months or more. However, the Council may, if it wishes, take a different decision by special majority within two months. The honourable rapporteur is proposing that this committee should take the form of a Consultative Committee, that it should have, that is, simply a consultative capacity.

I would like now to refer briefly to the reasons which impelled the Commission to submit the proposal you

Contogeorgis

have before you, and to emphasize that in submitting it the Commission has remained true to the position it has taken on this matter in the past. The Commission believes that even though the establishment of a committee with only a consultative capacity would be the ideal arrangement, the choice of an ERDF type committee, which makes it possible for the Council to intervene in cases where there is disagreement — which, in practice, however, are very few — constitutes perhaps the most balanced arrangement. In fact, as experience has taught us, this arrangement does not unduly deprive the Commission of its budgetary powers and does not impede the rapid taking of decisions.

The Commission remains convinced that, between the divergent viewpoints of Parliament and the Council, its own views — as I have said previously — provide the basis for compromise solutions. For these reasons, the Commission regrets that it cannot accept the mod-

ifications proposed by the Committee on Development and Cooperation.

President. — The debate is closed.

*(Votes)*¹

3. *Adjournment of the session*²

President. — I declare the session of the European Parliament adjourned.

(The sitting was closed at 10.30 a.m.)

¹ See Annex.

² Motions for resolutions entered in the Register under Rule 49 — Forwarding of resolutions adopted during the sitting — Dates for the next part-session: See the Minutes.

ANNEX

Votes

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

MOTIONS FOR RESOLUTIONS: Currency restrictions in France

- NYBORG (Doc. 1-132/83): ADOPTED
- CALVEZ (Doc. 1-133/83): ADOPTED
- SEITLINGER (Doc. 1-144/83): ADOPTED

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COLLINS MOTION FOR A RESOLUTION (Doc. 1-167/83: Health policy): ADOPTED

The rapporteur was:

- *in favour* of Amendments Nos 2 and 3

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KROUWEL-VLAM MOTION FOR A RESOLUTION (Doc. 1-166/83: Consumer protection): ADOPTED

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JOHNSON REPORT (Doc. 101/83: Environment): ADOPTED

The rapporteur was

- *in favour* of Amendment No 2, and
- *against* Amendment No 1

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DEL DUCA REPORT (Doc. 1-94/83: Organ transplants): ADOPTED

The rapporteur was *against* all the amendments

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* *

**KONRAD SCHÖN REPORT (Doc. 1-112/83: Discharge decisions for 1981):
ADOPTED**

Explanation of vote

Mr Irmer (L), in writing. — (DE) I can only vote in favour of the Commission's request for a discharge in respect of the implementation of the 2nd and 3rd Development Fund on the understanding that the Commission fulfils the condition to submit a specific plan of action (before the beginning of the negotiations for the follow-up agreement to Lomé II) as to how the 6th European Development Fund should be budgetized, as the Committee on Budgetary Control has done for the discharge for the 4th and 5th European Development Fund.

It is particularly important for the Commission to fulfil this condition as certain representatives of Member States governments have recently raised objections again to the budgetization. Thus, the Federal German Parliamentary Secretary of State for Economic Cooperation, Mr Köhler, has found it 'strange' that the Commission should again have proposed that the European Development Fund be financed from the Community budget even though this request had already 'been received critically' during the discussion of the Pisani memorandum in the Council of Ministers.

Mr Köhler can at best plead attenuating circumstances in that he has only been in office for a relatively short time and so has not yet mastered the knowledge and points of view necessary to be able to express a qualified opinion on this subject. In that case he would have done better to remain silent.

If, however, he really means what he said, then he should ask himself whether he really wants to instigate an open conflict with the European Parliament, and that at a time when his government has the Presidency of the Council too.

Parliament has long demanded budgetization, first, because it can only properly fulfil its duty as a discharge authority if it, as one arm of the budgetary authority, has taken part in the approval procedure; secondly, because only then the financial means can be made sufficiently flexible, and it is partly due to a lack of this that the Stabex system has practically collapsed; thirdly, because only then the restraining and often paralysing influence of the Member States on Community development policy can be held in check and this development policy really flourish as an important Community instrument.

Statements like those of Mr Köhler go against these aims and cannot be tolerated by Parliament.

The Federal Chancellor, Mr Kohl, and Federal Foreign Minister, Mr Genscher, should call members of their government to order when they hold forth in such anti-Community terms. Otherwise they run the risk of having their own highly constructive statements to the European Parliament, which were welcomed here by a large majority, no longer taken so seriously.

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GABERT REPORT (Doc. 1-97/83: Discharge decisions for 1981): ADOPTED

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**KELLETT-BOWMAN REPORT (Doc. 1-70/83: Discharge decisions for 1981):
ADOPTED**

The rapporteur was:

— *against* Amendment No 1

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**KELLETT-BOWMAN REPORT (Doc. 1-96/83: Discharge decisions for 1981):
ADOPTED**

The rapporteur was

— *against* Amendment No 2

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COUSTÉ REPORT (Doc. 1-1309/82: EP-EIB): ADOPTED

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SABY REPORT (Doc. 1-100/83: EP Expenditure 1982): ADOPTED

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HERMAN REPORT (Doc. 1-1312/82: Data-processing): ADOPTED

Explanation of vote

Mrs Théobald-Paoli (S). — (*FR*) Our Socialist attitude when voting for this report will be coloured by the pessimism of analysis and the optimism of action.

However, I should like to make some short comments on data-processing.

As you know, the Community has dropped behind considerably over the past ten years; its sales, already mediocre, show this.

Our colleague, Mr Herman, quite rightly drew attention to two major difficulties in Community research: a specific decision-making process with disastrous effects, and its corollary, a budgetary impotence entailing here a sprinkling of credits, there limited choices resulting in certain techniques being abandoned, without the Community ever having managed to decide on a consistent line of action.

The slowness of the decision-making procedure up to Council level — and this on questions which, though essential to our industrial future, presuppose technical risks much more than high policy stakes — is literally undermining Community incentives and risks paralysing the Commission or leading it to propose or have adopted remarkably complex programmes.

The French government has on various occasions protested against such a system, which admittedly respects the letter of the treaties but which runs seriously counter to their spirit. Under such a system — and one can understand how it almost becomes legitimate — each party tries to 'authorize' programmes of benefit to it. Instead of deciding on programmes and credits in the light of overall needs and resources, decisions are often taken

on the basis of strange parameters which do not take the interests of the Community into sufficient account . . .

President. — Mrs Théobald-Paoli, your speaking time is up.

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BEUMER REPORT (Doc. 1-1331/82: Tax consultation): ADOPTED

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PERY REPORT (Doc. 1-89/83: Fish fillets): ADOPTED

The rapporteur was

— *in favour* of Amendment No 2

Explanation of vote

Mrs Ewing (DEP). — My reservations about the report are concerned not with what is in the report but with the question of enforcement. I am very alarmed to hear that it is going to be a year before any disruption caused by this regulation is looked at. We know that we have inadequate policing in the Community. Twelve cases have already been reported to me in which there was no policing of vessels that were where they should not have been. That happened recently. We know that policing is not adequate.

How on earth are these excellent proposals that Mrs Pery puts forward to be enforced? If we were coming back to this House with the actual situation in six months time I would be prepared to vote for it, but in these circumstances I have to abstain.

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EYRAUD REPORT (Doc. 1-95/83: Peas and field beans): ADOPTED

Mrs Pery, deputizing for the rapporteur, was

— *in favour* of Amendment No 1

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DELATTE REPORT (Doc. 1-92/83: Vineyards): ADOPTED

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CASSANMAGNAGO CERRETTI (Doc. 1-114/83: Hunger in the world): ADOPTED

Mrs Deschamps, deputizing for the rapporteur, was

- *in favour* of Amendments Nos 1, 2 and 6, and
- *against* Amendments Nos 3, 5 and 7

Explanation of vote

Mr Forth (ED). — I shall be voting against this report, because it exhibits the usual financial irresponsibility to which, unhappily, we have got accustomed in this House.

I refer colleagues to paragraph 2, which once again ritually criticizes the inadequacy of the funds earmarked for these measures in the 1983 budget. I see nowhere mentioned in the report where any increased funds would come from. There are no volunteers to tell me which other portions of the budget would be reduced. Would the money come out of the Regional Fund or the Social Fund? Are we sufficiently generous of heart to take some money out of funds earmarked for European Community purposes to give it to these people, or are we asking for a reduction in the agricultural policy to pay for this? Or, indeed, do we want the budget as a whole to be increased? Until I hear colleagues telling me in such reports as this where the monies are to come from, these ritualistic calls for more money for everything — and they come up in nearly every report we produce — are not worth the paper they are written on. I really hope that the House will attend seriously to this matter in the future.

The thin attendance here, of course, is another indication of how casually people regard this kind of matter. I really do ask — and this is why I am voting against this report — that future reports of this kind, when asking for more funds for this purpose or any other, should specify where the reductions are to come in other lines or where the overall increase in monies is to be found for the budget. Until that happens I shall continue to vote against such reports.

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