INTERIM REPORT
drawn up 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

Rapporteur: Mr L. CROUX
By letter of 4 February 1982 the Political Affairs Committee requested authorization to draw up a report on the draft European Act submitted by the Governments of the Federal Republic of Germany and the Italian Republic.

Authorization was given by the President of the European Parliament in his letter of 9 March 1982. The Committee on Youth, Culture, Education, Information and Sport was asked for its opinion.

At its meeting of 23-25 June 1982 the Political Affairs Committee appointed Mr CROUX rapporteur.

At its meeting of 14 September 1982 the enlarged Bureau authorized the Committee to present an interim report which has been included in the draft agenda for the October part-session.

The committee considered the draft interim report at its meeting of 23 September 1982 and adopted it by 21 votes in favour, 2 votes against, with 1 abstention.

The explanatory statement will be presented orally in plenary sitting by the rapporteur.

The following took part in the vote: Mr Rumor, chairman; Mr Haagerup, vice-chairman; Mr Fergusson, vice-chairman; Mr Croux, rapporteur; Mr Antoniozzi, Mr Barbi, Mr Bettiza, Mr Beyer de Ryke (deputizing for Mr Berkhouwer), Mr Bournias, Lady Elles, Mr Gawronski (deputizing for Mr Donnez), Mr Habsburg, Mr von Hassel, Mr Herman (deputizing for Mrs Lenz), Mr Klepsch, Mr Kyrkos (deputizing for Mr Marchais), Mr Majonica (deputizing for Mr Penders), Mr Momersteeg (deputizing for Mr Deschamps), Lord O'Hagan, Mr Plaskovitis, Mr Prag (deputizing for Lord Bethell), Mr Schall, Sir James Scott-Hopkins, Mr Walter (deputizing for Mr Hänsch).

The opinion of the Committee on Youth, Culture, Education, Information and Sport will be presented orally in plenary sitting.
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The Political Affairs Committee hereby submits to the European Parliament the following motion for a resolution:

**MOTION FOR A RESOLUTION**

on the draft European Act submitted by the Governments of the Federal Republic of Germany and the Italian Republic.

The European Parliament,

A having regard to the draft European Act and progress in consideration thereof, more specifically:

- its submission to the European Council on 6 November 1981 by the Governments of the Federal Republic of Germany and the Italian Republic;
- its presentation to the European Parliament on 19 November 1981 by Mr GENSCHER and Mr COLOMBO and the ensuing parliamentary debate;
- the decision by the European Council of 27 November 1981 to invite the Foreign Ministers to examine and clarify the draft in conjunction with the Commission;
- the activities of the ad hoc working party set up by the Foreign Ministers during the Belgian Presidency of the Council in the first half of 1982, with a view to the study requested;
- the outcome of the Foreign Ministers' Council of 20 June 1982;
- the interim report of the Danish President-in-Office of the Council submitted to the European Parliament on 7 July 1982;

B pointing out that during 1982 political and socio-economic circumstances have since deteriorated both internationally and within the Community to such a degree that any delay in the process of European integration warrants criticism of lack of political insight, courage and a sense of responsibility for the future of the peoples of Europe;

whereas the planned and imminent accession of Spain and Portugal means that it is essential to strengthen the Community and speed up European Union;
whereas the draft European Act should be seen in the context of recent initiatives at institutional level emanating from the different Community bodies: Council, Commission and Parliament;

recalling that the European Parliament in particular has taken a number of important initiatives such as the eight resolutions designed to improve inter-institutional relations within the framework of the existing Treaties (1981 and 1982), and above all the resolution of 6 July 1982 on the European Parliament's guidelines for the reform of the Treaties and the achievement of European Union;

convinced that inter-institutional consultations are required within the context of a democratic Community, in particular involving the European Parliament, which, being directly elected, is the legitimate representative of the citizens of Europe;

having regard to the interim report by the Political Affairs Committee (Doc. 1-046/82);

1. Regarda the draft European Act as a welcome contribution to fresh progress in the Community and the creation of a European Union;

2. Considers that the Council should continue its investigation and consideration of the draft with speed and strength of purpose so that decisions can be taken by the beginning of 1983 at the latest;

3. Proposes that this consideration should be carried out bearing in mind:

3.1 the fundamental principles of the Community, in particular the decision-making and voting procedures laid down in the Treaties;

3.2 the Community's obligation to respond to the growing needs of its citizens in the area of economic and social solidarity and, more specifically, the role that should be played by the Community institutions in counteracting the dramatic increase in unemployment;
3.3 The institutional standpoints of the European Parliament - the democratic and directly elected representative body of the citizens of Europe - with a view to harmonizing as far as possible the objectives and action programmes of the different institutions of a single Community, in both the short and long term, in the context of the existing Treaties and also in anticipation of a new Treaty;

3.4 The forthcoming enlargement

3.5 The repeated statements, including those of the Council, reflecting the demands and aspirations of the citizens of Europe, on the need to achieve real European Union in the near future;

4. Requests the Council and the Commission to devote particular attention to the provisions in the draft European Act regarding the prospects of a new 'Treaty on the European Union' and calls for consultations and cooperation between the Council, Commission and Parliament with a view to drawing up a new Treaty on a timescale and with a content that will satisfy the peoples of Europe and the aspirations of the younger generations for the future;

5. Requests the Council to make every effort to ensure that Parliament is involved in further consideration of the draft European Act in a manner consonant with true democracy and in particular:

5.1 That the President-in-Office of the Council should report to the Political Affairs Committee and Parliament at regular intervals on the progress made by the ad hoc working party and on the discussions within the Council itself;
5.2 that Parliament, through its Political Affairs Committee, should be involved in the study of the provisions of the Act that concern interinstitutional relations with Parliament itself, and urges that without delay account should be taken of the resolutions adopted by Parliament in 1981 and 1982 on interinstitutional relations within the framework of the existing Treaties;

6. Requests its President to forward this resolution to the Commission and the Council, to the Foreign Ministers meeting in political cooperation and to the national parliaments of the Member States of the Community.
DRAFT EUROPEAN ACT

submitted by the Governments of the Federal Republic of Germany and the
Italian Government

6 November 1981

The Heads of State and Government of the ten member States of the
European Communities, meeting within the European Council,

resolved to continue the work begun with the Treaties of Paris
and Rome and to create a united Europe capable of assuming its
responsibilities in the world and of rendering the international
contribution commensurate with its traditions and its mission,

considering what has been achieved in the construction of
Europe in the spheres of economic integration and political
coopération, as well as the political objectives of the Commu-
nity, which enjoy the broad support of the democratic forces in
Europe,

convinced that the unification of Europe in freedom and respect
for its diversity will enable it to make progress and develop its
culture and thus contribute to the maintenance of equilibrium in
the world and to the preservation of peace,

proceeding from the foundation of respect for basic rights as
expressed in the laws of the Community and its member States
as well as in the European Convention for the Protection of
Human Rights and Fundamental Freedoms,

determined to work together for democracy, the human and basic
rights and notably for the dignity, freedom and equality of man,
as well as for social justice,

aware of the international responsibility devolving upon Europe
by virtue of its level of civilization, its economic strength, and
its manifold links with the States and nations of other
continents,

unofficial translation
confident that the security of Europe must also be guaranteed by joint action in the field of security policy which at the same time helps to maintain the common security of the partners in the Atlantic Alliance.

In accord with the decisions taken by the Heads of State and Government of the member States of the European Communities in Paris on 21 October 1972 and the Document on the European Identity published by the Foreign Ministers on 14 December 1972,

mindful of the statement made by the European Council in The Hague on 29/30 November 1976 concerning the progressive construction of European Union, and in particular the goal, set by the Heads of State and Government, of establishing a comprehensive and coherent common political approach,

reaffirm their political will to develop the whole complex of the relations of their States and create a EUROPEAN UNION. To this end they have formulated the following principles of a EUROPEAN ACT as a further contribution to the establishment of the EUROPEAN UNION:

Part One: Principles

1. Our peoples expect the process of European unification to continue and to bring increasing solidarity and joint action. To this end the construction of a united Europe needs a firmer orientation to its political objective, more effective decision-making structures, as well as a comprehensive political and legal framework capable of development. The EUROPEAN UNION to be created step by step will be an ever closer union of the European people and States based on genuine, effective solidarity and common interests, and on the equality of the rights and obligations of its members.

2. Desirous to consolidate the political and economic progress already achieved towards the EUROPEAN UNION, the Heads of State and Government endorse the following aims:

- to strengthen and further develop the European Communities as the foundation of European unification, in accordance with the Treaties of Paris and Rome,
to enable member States, through a common foreign policy, to assume joint positions and take joint action in world affairs so that Europe will be increasingly able to assume the international role devolving upon it by virtue of its economic and political importance,

the co-ordination of security policy and the adoption of common European positions in this sphere in order to safeguard Europe's independence, protect its vital interests and strengthen its security,

close cultural co-operation among the member States, in order to promote an awareness of common cultural origins as a facet of the European identity, while at the same time drawing on the existing variety of individual traditions and intensifying the mutual exchange of experiences, particularly among young people,

the harmonization and standardization of further areas of the legislation of the member States in order to strengthen the common European legal consciousness and create a legal union,

the strengthening and expansion of joint activities by the member States to cope, through co-ordinated action, with the international problems of the public order, major acts of violence, terrorism and transnational criminality in general.

3. The European Communities, which continue to be based on the Treaties of Paris and Rome, European Political Co-operation, the rules and procedures of which are governed by the Reports of Luxembourg (1970), Copenhagen (1973), and London (1981), and the European Parliament shall co-operate in the pursuit of the above aims.

4. The following shall serve in particular to further the development of European Political Co-operation:

- intensified regular and timely consultations among the Ten with a view to united action on all international questions of common interest,

- the adoption of final positions only after consultation with the other member States,
acceptance of statements by the Ten as a binding common basis,

- strengthened worldwide contacts with third countries of particular interest to the Ten,

- increased consideration of resolutions of the European Parliament in reaching decisions by the Ten.

Part Two: Institutions

The following measures shall serve to amalgamate the existing structures of the European Communities (EC), European Political Co-operation (EPC) and the European Parliament and to strengthen the political orientation of the work of European unification:

1. The structures for decision-making in the European Communities and European Political Co-operation shall be merged under the responsibility of the European Council. The European Council is the organ of political guidance of the European Community and of European Political Co-operation. It is composed of the Heads of State and Government and the Foreign Ministers of the member States.

The European Council shall deliberate upon all matters concerning the European Community and European Political Co-operation. Its meetings shall be prepared on the special responsibility of the Foreign Ministers. The European Council may take decisions and lay down guidelines.

Matters concerning the European Communities shall continue to be governed by the provisions and procedures laid down in the Treaties of Paris and Rome and the supplementary agreements thereto.

The Heads of State and Government reaffirm that central importance attaches to the European Parliament in the development of the European Union, an importance which must be reflected in its participatory rights and control functions. They therefore envisage the following improvements for the Community within the scope of the Treaties of Paris and Rome:
1) The European Parliament shall debate all matters relating to the European Community and European Political Co-operation.

2) The European Council shall report at half-yearly intervals to the Parliament. It shall further submit an annual report to the Parliament on the progress towards the EUROPEAN UNION. In the debate on these reports the European Council shall be represented by its President (by one of its members).

3) The European Parliament may submit oral or written questions concerning all aspects of European Union to the Councils of Ministers and the Commission. It may make recommendations to the European Council, the Councils of Ministers, and the Commission. The resolutions of the European Parliament shall be forwarded to the Council of Foreign Ministers for discussion by it. If the Parliament asks for the Councils' comments in this respect, the Council shall comply with the request. The President of the Council shall keep the European Parliament informed through the latter's Political Committee of the subjects of international policy dealt with in the scope of European Political Co-operation.

4) Before the appointment of the President of the Commission, the President of the Council shall consult the President of the European Parliament. After the appointment of the members of the Commission by the Governments of the member States, an investiture debate should be held in which the Parliament shall discuss the programme of the Commission.

5) The Parliament is associated with legal acts of the Community, which are of general importance and have significant financial implications, on the basis of the joint declaration of 4 March 1975 of the European Parliament, the Council and the Commission on the conciliation procedure. The conciliation procedure shall be applied mutatis mutandis in a way suited to practical requirements in normative decisions by the Councils of Ministers pursuant to the Treaties of Paris and Rome if in its comments the Parliament requests the initiation of the conciliation procedure because of the particular significance of such decisions.
(6) Before the accession or association of further States and before the conclusion of international treaties by the European Communities the European Parliament shall be heard; its appropriate committees shall be informed on a continuous basis. In formulating the expanded hearing procedure, due regard shall be given to the requirements of confidentiality and urgency.

(7) In the further development of basic and human rights, special legitimacy attaches to the deliberations and decisions of the European Parliament.

(8) Continuous reciprocal contacts and consultations between the European Parliament and the national Parliaments should be developed further, with the latter defining the relevant procedures, with a view to enhancing public awareness of European unification and making the debates on aspects of European Union more fruitful.

(1) The Council of Foreign Ministers shall be responsible for European Political Co-operation.

This shall not affect the powers of the Council of the European Communities pursuant to the Treaties of Paris and Rome.

The co-ordination in matters of security should promote common action with a view to safeguarding the independence of Europe, protecting its vital interests and strengthening its security. For these discussions the Council may convene in a different composition if there is a need to deal with matters of common interest in more detail.

(2) In addition, a Council of Ministers responsible for cultural co-operation and a Council of Ministers of Justice shall be established.

(3) The European Council may decide on the establishment of further Councils of Ministers to co-ordinate the policy of the member States in areas not covered by the Treaties of Paris and Rome.
GENEAL INFORMATION

(4) The Council of Foreign Ministers may appoint committees to deal with specific questions; they shall report to the Council. Both the Council and the committees may avail themselves of the services of experts.

(5) The role of the Presidency in European Political Co-operation will be strengthened by both expanding its powers as regards initiatives and co-ordination and enhancing its operative capabilities.

5. The Council of Ministers responsible for cultural co-operation shall hold regular exchanges of views on close co-operation in the cultural sphere in order to harmonize their positions on cultural matters as far as possible. For these deliberations the member States may be represented by their respective competent Ministers in accordance with constitutional provisions.

6. The Council of Ministers of Justice shall hold regular exchanges of views on aspects of co-operation in matters of legal policy in order to promote the EUROPEAN UNION in this sphere too.

7. The European Council and the Councils of Ministers shall, where matters pertaining to the European Communities are concerned, be assisted by the Secretariat of the Council and, in the fields of foreign policy, security policy and cultural co-operation, by an expandable Secretariat of European Political Co-operation.

8. (1) In view of the need to improve the decision-making processes and hence the European Communities' capacity for action, decisive importance attaches to the voting procedures provided in the Treaties of Paris and Rome. The member States will utilize every opportunity to facilitate decision-making.

To this end greater use should be made of the possibility of abstaining from voting so as not to obstruct decisions. A member State which considers it necessary to prevent a decision by invoking its "vital interests" in exceptional circumstances will be required to state in writing its specific reasons for doing so.
(3) The Council will take note of the stated reasons and defer its decision until its next meeting. If on that occasion the member State concerned once more invokes its "vital interests" by the same procedure a decision will again not be taken.

(4) Within the scope of European Political Co-operation as well, the member States shall utilize every opportunity to facilitate decision-making, in order to arrive more quickly at a common position.

9. The Heads of State and Government stress the particular importance attaching to the COMMISSION as guardian of the Treaties of Paris and Rome and as a driving force in the process of European integration. In addition to its tasks and powers under the Treaties of Paris and Rome, the Commission advises and supports the European Council, whose meetings it attends, with proposals and comments. It is to be associated closely with European Political Co-operation.

10. The COURT OF JUSTICE of the European Communities has an important role to play in the process leading to the EUROPEAN UNION. In ensuring the observance and further development of Community law, it acts in accordance with the Treaties of Paris and Rome. It should be granted appropriate powers of interpretation and possibly of arbitration under international treaties concluded between member States.
Part Three: Perspectives

1. All other European States which share the values and aims en-
bedded in this Act and become members of the European Commu-
nities may accede to the "European Act" to participate in the
realization of the EUROPEAN UNION.

On acceding to the European Communities they undertake to
accede to this "European Act".

2. The Heads of State and Government shall subject this "European
Act" to a general review five years after its signing with a view
to incorporating the progress achieved in European unification in
a Treaty on the EUROPEAN UNION. To this end a draft shall be
submitted to the European Council by the Foreign Ministers be-
fore the end of such period and presented to the European Par-
liament for comment.

3. IN WITNESS WHEREOF, the undersigned High Representatives of
the member States, conscious of the great political importance
which they attach to this Common Declaration, and resolved to
act in accordance with their will as expressed above; have appended
their signatures to this EUROPEAN ACT.

DONE at this

ON BEHALF OF

The Kingdom of Belgium:

..........................
Prime Minister

The Kingdom of Denmark:

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Prime Minister

The Federal Republic of Germany:

..........................
Federal Chancellor
The Hellenic Republic:

Prime Minister

The French Republic:

President of the Republic

The Irish Republic:

Prime Minister

The Italian Republic:

President of the Council of Ministers

The Grand Duchy of Luxembourg:

Prime Minister

The Kingdom of the Netherlands:

Prime Minister

The United Kingdom of Great Britain and Northern Ireland:

Prime Minister
Draft statement on questions of economic integration

1. The achievement of the European Union requires further progress as regards the economic integration of Europe. Therefore the Heads of State and Government reaffirm in the European Act the primary goal of strengthening and developing the European Communities in accordance with the Treaties of Paris and Rome.

2. The solution of the problems currently being dealt with in the European Communities is essential if the solidarity of the Community is to be strengthened.

3. This implies, in the interest of all member States and the standard of living of their citizens, a functioning internal market, an adjustment of the common agricultural policy and an improvement in the budgetary structure. The Common Market must not only be maintained but brought to completion.

4. The European Monetary System, which has led to the creation of a major zone of monetary stability, is a positive element. Beyond the monetary stability guaranteed by the EMS, the member States should strive to achieve an increasing convergence of their economies. In the perspective of Economic and Monetary Union which, as a part of the European Union, is to consolidate the economic and financial solidarity of the Community, they should aim at a closer coordination of their economic policies, not least in view of the further development of the EMS.

   The member States should examine how, within the framework of the means available, Community policies suitable for achieving the goal of integration might be developed.

5. The accession of Spain and Portugal to the European Community should become reality in the interest of consolidating democracy in Europe, expanding the European economic area and strengthening Europe's position in the world.

6. A European Community completed and strengthened in this way will be in a position to utilize the potential of the European economic area, increase its competitiveness, improve possibilities for investments and thus reduce the level of unemployment.