

European Communities

EUROPEAN PARLIAMENT

Working Documents

1973-1974

8 May 1973

DOCUMENT 46/73

Report

LIBRARY

on the ~~6~~th General Report of the Commission of the European Communities on the activities of the Communities in 1972 (Doc. 303/72)

General Rapporteur: Mr H. SEEFELD

At its sitting of 15 February 1973, Parliament adopted a resolution on the procedure for examining the 6th General Report of the Commission of the European Communities on the activities of the Communities in 1972 (Doc. 303/72). Mr Horst Seefeld was appointed rapporteur at this sitting.

Pursuant to Parliament's resolution, this report was submitted to the Political Affairs Committee for approval at its meeting of 4 May 1973, in the presence of the draftsmen of the opinions of the other parliamentary committees. It was approved.

The following were present : Mr Radoux, acting chairman of the committee; Lord Gladwyn, vice-chairman; Mr Seefeld, general rapporteur; Sir Tufton Beamish, Mr Behrendt, Mr Berthoin, Mr Bertrand, Mr Blumenfeld, Mr Dalsager, Lord Esmonde, Mr Fellermaier, Mr Glesener (deputizing for Mr Malfatti), Mr Habib-Deloncle, Mr Hougardy, Mr Kirk, Mr Lücker, Mr Scelba, Mr Thomsen and the following draftsmen of opinions : Miss Lulling (for the Committee on Social Affairs and Employment), Mr Christensen (for the Committee on Public Health and the Environment) and Lord Mansfield (for the Committee on External Economic Relations).

JOSEPH KUZICKA, INC.

MOTION FOR A RESOLUTION

on the 6th General Report of the Commission of the European Communities on the activities of the Communities in 1972

The European Parliament,

- takes note of the 6th General Report of the Commission on the activities of the Communities in 1972, as well as the general lines of the programme laid down for 1973 (Doc. 303/72),
- having regard to the report submitted by Mr H. Seefeld pursuant to the resolution¹ of 15 February 1973 (Doc. 46/73);

GENERAL

1. Welcomes the accession to the Communities on 1 January 1973 of the Kingdom of Denmark, the Republic of Ireland, and the United Kingdom of Great Britain and Northern Ireland and hopes that this enlargement of the Communities will provide a new impetus for European integration which will enable Europe to better fulfil its responsibilities in the world;
2. Hopes that the Kingdom of Norway will, shortly, be able to become a Member of the Communities and that in the meantime mutually satisfactory economic and commercial agreements can be concluded;
3. Welcomes the agreements reached between the Community and those EFTA countries which have not joined the Community, and hopes that the agreements with Finland, Iceland and Norway can be fully implemented in the near future - considering that these agreements will make it possible to avoid an economic division of Europe and will provide a basis for cooperation whilst safeguarding the cohesion and internal dynamism of the Communities;

A. The Paris Summit of 1972

4. Welcomes the way in which the meetings of Heads of State or of Government of Members of the enlarged Communities² held in Paris in October 1972 both complemented and strengthened the EEC Treaty by establishing certain new goals and, of equal importance, by laying down timetables for the achievement of such goals; but
5. Considers that useful though it is for the Heads of State or of Government to provide additional political impetus to the work of the Communities at Summit Meetings, it should be recognised that Community procedures must be respected for the implementation of Summit recommendations and that the Commission should remain the organ which initiates Community legislation and that its collegiate function in this respect should not be replaced by initiatives taken by governments;

¹ OJ No. C 14, 27 March 1973, p. 39

² And Norway

6. Looks therefore to the Commission to take bold and systematic initiatives so as to implement common policies and to establish the new institutional balance of the enlarged Community, towards which the first step should be the forthcoming proposals to extend the Parliament's powers - it being hoped that by 1980 a directly elected Parliament vested with real powers of supervision and initiative could control a real European government;
7. Considers that whereas Heads of State or of Government can focus European public opinion on the unification process, Summit Meetings may arouse false expectations of progress towards European unity which are not justified by results unless they are well prepared and the participating governments are in broad agreement on the issues at stake;
8. Welcomes the conclusions and initiatives of the Paris Summit with respect to economic and monetary policy, regional policy, social policy, industrial, scientific and technological policy, the environment, energy and external relations;
9. Urges the Community institutions in general and the Commission in particular, to respect the timetables established by the Paris Summit and urges, also, the Member States and the Community institutions to focus and co-ordinate the political will which was displayed in Paris so as to overcome the divisions and difficulties which have been so evident in recent monetary events;
10. Welcomes, also, the progress that has already been made concerning the development of concerted Community attitudes towards major foreign policy issues, within the framework of the Political Committee, notably with respect to the preparation of the forthcoming Conference on Security and Co-operation in Europe, and eagerly awaits the report to be submitted by the Ministries of Foreign Affairs by 30 June 1973 on measures which could be taken to improve political co-operation; but
11. Stresses that the development of political union should be carried out within the framework of the Community institutions rather than in parallel intergovernmental institutions and expresses its view that the work of the Political Committee is only the first step towards the political unification of Europe, and that this Committee must be brought within the Community framework in future institutional developments;
12. Welcomes the various remarks made in the Declaration of Paris concerning the reinforcement and development of Community institutional arrangements, notably: by inviting the Community institutions, in the first instance, to draw up before the end of the first stage of the

move to economic and monetary union, and on the basis of the report that the Commission should submit, before 1 May 1973, measures concerning the sharing between the Community institutions and Member States of those competences and responsibilities which are necessary for the effective working of an economic and monetary union; by the confirmation of the decision of 22 April 1970 of the Council concerning the budgetary powers of control of the Parliament; by stressing the need to improve, by "practical measures", the contacts between the Council and the Parliament on the one hand and the Commission and the Parliament on the other; by the improvement of the decision-making procedures of the Council and by giving a greater degree of coherence to the Community; by underlining the importance of making the optimum use of Article 235 of the EEC Treaty;

13. Considers that a joint procedure is required to permit the establishment of the report of the Community institutions concerning "European Union" by the end of 1975 and requests the Political Committee of the Parliament to propose such a procedure;
14. Regrets that no practical decisions were taken by the Summit concerning increased powers for the European Parliament and the direct election of its Members despite Treaty obligations and the fact that these subjects have long been questions on the European agenda, and notes, in this respect, that the new Netherlands Parliament has stated that no Netherlands government will be prepared to co-operate in the transition to the second stage of the European Monetary Union scheduled for 1 January 1974 unless there is a considerable improvement of the Community's decision-making powers and effective parliamentary participation in this process at the European level;
15. Welcomes the aim of transforming relations between the Member States of the Communities into a "European Union" at the latest by the end of the present decade, and requests its President to represent it in negotiations with the heads of the other Community institutions so as to formulate the proposals to be presented by the Community institutions before the end of 1975 to a meeting of Heads of State or of Government - and considers that the Parliament's Political Committee should itself survey the different possibilities and implications of establishing such a "European Union" and report back to the Parliament in the near future;
16. Regrets that the Summit Meeting took no decision to define the substance of a "European Union", a phrase which could be interpreted in many different ways;

B. Political Union and the possibility of Defence Co-operation

17. Considers that a veritable "European Union" (as foreseen in Paragraph 16 of the Paris Declaration) which should achieve the transformation into a European identity of all relations between its Member States cannot be restricted solely to the economic and social fields but must include measures of political co-operation and cannot leave out of account measures of defence co-operation - the European Parliament therefore awaits, with interest, proposals concerning the development of co-operation in these fields;

C. The Community in the World

18. Considers that the Community should play an increasingly active role concerning world developments such as the new political and economic relations to be established with the United States, the promotion of lasting peace in the Middle East, aid to the developing countries, and the solution of environmental problems, and, also, that the Community should make a positive contribution to the Conference on Security and Co-operation in Europe and to its follow-up, and looks to the Commission to initiate courageous proposals concerning problems of this kind which it hopes that the Council will implement;
19. Requests the Commission to seek to obtain the recognition of the Community as a legal partner with respect, in particular, to the areas for which it has sole responsibility, within the appropriate international organisations;

D. Towards a New Kind of Community

20. Considers that if a meaningful "European Union" is to be achieved by 1980 it must be based on not only an economic but also a social Community and that, in this respect, the Community programme of social policy action to be drawn up (in the first instance on the basis of Article 235 of the EEC Treaty) by 1 January 1974 should aim at significant improvements in the living and working conditions of the peoples of the Community, and in a reduction of the present disparities between such conditions in different parts of the Community;
21. Considers that, with this end in view, the Community institutions and governments should seek ways and means of bringing about a greater involvement of the Community peoples particularly young people, and also individuals, in the integration process, notably by developing the Community information policy so as to make the aims and achievements of the Community comprehensible and attractive to them;
22. Considers that the social policy and employment aspects of the Community that require developing so as to achieve a genuine "European

Union" by 1980 include the need to give migrant workers from within the Community, and their families, civil, political, social and human rights equal to those enjoyed by the citizens of the Community states in which they work or reside, and requests the Commission to make proposals in this sense in the context of its forthcoming social policy programme by 1 January 1974;

23. Considers also that, despite the many obstacles which must be overcome, as an ultimate objective, migrant workers from associated and third countries working in a Community country should be entitled to working conditions and social benefits equal to those received by nationals of that country, and requests the Member States to concert their policies concerning migrant workers from associated and third countries as a first step in that direction;

RELATING TO CHAPTER II
OF THE COMMISSION'S GENERAL REPORT

E. Entry into force of the Accession Treaties

24. Considers that the legal techniques used for the decisions taken to bring about the enlargement of the Communities have permitted the integration of the new Member States into the Community whilst maintaining the integrity of Community law, notably in safeguarding the nature of the law derived from decisions taken by the institutions of the Community;

RELATING TO CHAPTER III

F. Free movement of goods and persons

25. Urges the Commission and Council to create the necessary conditions in which frontier checks on goods can be minimised and those on persons abolished at frontiers between Member States of the Community, and with this in view requests that co-operation between national customs authorities be improved and the remaining technical obstacles eliminated without delay; notes with regret that, as a result of delay in harmonizing the relevant legal provisions, the control of motor vehicle green insurance cards continues to be a nuisance in some cases;
26. Requests the Commission to complete the work which will enable it to present proposals for directives concerning the elimination of technical obstacles to trade;

G. Competition policy

27. Reiterates that, competition policy, as well as other sectoral policies, should be applied amongst the efforts to create a single domestic market

within the Community, emphasises the importance of eliminating, as quickly as possible, the disparities between Community legislation and the competition policies of the different states (both old and new Members), and points to the importance of a common competition policy if economic and monetary union is to be achieved;

28. Warns against the distorting effect on competition of the differing tax systems within the Community and urges the Commission and Council to accelerate the harmonization of tax legislation, in view of the urgency of this problem;
29. Requests the Commission to complete, as rapidly as possible, the preparation of the draft convention concerning international mergers;

H. Harmonization of taxes

30. Expresses its concern that the measures taken by the Commission to achieve tax harmonization are not part of an overall plan and regrets that in the case of the Value Added Tax, which is to be used from 1975 to provide own resources for financing the Community budget, there has been no decisive progress towards a uniform standard of assessment;

I. Right of establishment

31. Requests the Commission, in view both of the better functioning of the Common Market and as a pre-condition of economic and monetary union, to intensify its efforts to persuade the Council to adopt the proposals for directives concerning the right of establishment, the free movement of services and the harmonization of national laws concerning the liberal professions, concerning which the Parliament has given its opinion and particularly concerning, on the one hand, non-salaried workers - especially members of the liberal professions - and, on the other hand, banks and insurance companies;
32. Stresses, once again, the importance of complete freedom of establishment and freedom to provide services for the creation of a single domestic market within the Community and considers it inappropriate to try to make progress in this area by means of small, partial steps, and regrets the delays on the part of the Commission in implementing action promised by it in the past in this domain;

J. Approximation of legislation

33. Stresses the importance of the approximation of the Company law of the Member States and of the need to create a European Company law and the harmonization of legal systems and the creation of a system of European law through conventions, particularly in respect of the awarding of public contracts, but regrets that the Commission has not yet put

forward all the proposals that it has promised in these sectors;

K. Public health

34. Notes with regret that the Council has failed to adopt several of the proposals submitted to it in the past by the Commission on the harmonization of legislation for the food industry (for instance concerning cocoa, jam, beer and stabilising agents) resulting both in the maintenance of technical obstacles to trade and in a situation in which the consumer is inadequately protected against health hazards, and urges the Council to take immediate action concerning the Commission's proposals so that Community action in this field can provide a decisive stimulus to the preparation, at world level, of the Programme on Food Standards (in the framework of FAO and WHO);
35. Welcomes the two proposals for directives on the retail sale of pharmaceutical products by which the Commission has, in accordance with the wishes of the European Parliament, supplemented the seven proposals for directives put forward in March 1969 on the implementation of freedom of establishment and free provision of services for certain self-employed activities in the pharmaceutical field and urges the Council to adopt, without delay, the proposals for directives which have been submitted to it years ago, and reserves the right to take further steps in this respect;
36. Regrets that the Council has adopted only two of the eight proposals made by the Commission on veterinary legislation and appeals to the Council to implement the remaining proposals of the Commission, immediately, in the interests of public health, especially concerning milk and meat hygiene;

L. Environmental policy

37. Expresses the hope that the Commission will, as promised, take full account of the various requests made by the European Parliament (Doc. 9/72 and Doc. 74/72) concerning the Commission's initial communications on an environmental protection programme of the European Communities, and particularly of the principle advocated by the Parliament that in order to do everything possible to prevent environmental pollution anyone causing it must bear the costs of remedying such pollution;
38. Underlines the need for the co-ordination of measures taken by the Community both to protect the environment and, also, in the field of public health, with the efforts being made in this respect by international organisations and third countries, so as to seek worldwide solutions to urgent problems in both fields;

39. Repeats its request to the Commission to put forward, in the near future, a proposal for a directive, modelled on German legislation, aimed at reducing appreciably the lead content of motor vehicle exhaust gases;

M. Consumer protection

40. Welcomes the start that has been made to co-operation between the Commission and European consumer organisations and urges the Commission to establish contacts with national consumer organisations, hopes that the Commission will shortly implement its decision to expand its specialised department for consumer questions and that it will become increasingly active in the protection of consumer interests, and urges the Commission to submit, as soon as possible, the programme it is drawing up in response to the instruction issued by the Heads of State or of Government at the Paris Summit to the Community institutions to "strengthen and co-ordinate measures for consumer protection";
41. Points also to the economic significance of the concentration and modernization of trading arrangements and asks the Commission to take greater account in the future than it has done in the past in this respect, of the qualitative aspects of the consumer's standard of living;
42. Considers that the Commission should, in general, ensure that the content of its proposals should reflect a concern to protect the interests of consumers and also ensure that consumer information should be a major element in its public relations;

RELATING TO CHAPTER IV

N. Progress towards economic and monetary union

43. Draws attention, with concern, to the fact that it has not been possible to make good the delay caused by the belated start on work towards economic and monetary union since March 1972, and considers it necessary for the powers of the European Fund for Monetary Cooperation to be extended and its margin of monetary manoeuvre increased; asks the central banks of the Member States to deposit part of their currency reserves in this fund; hopes that the fund will develop a system of intervention on the European markets comprising several currencies and designed in such a way as to guarantee the stability of the European currencies vis-à-vis other important world currencies;
44. Emphasises the view it has already advanced on numerous occasions that mere assurances for the need for parallel progress in monetary and economic policy are not sufficient, but that positive action is required to achieve such progress; refers with concern, in this context, to the unbalanced development of interdependent sectoral policies of fundamental importance to the achievement of the economic and monetary union and urges the Council to comply with the objectives laid down for it at the Summit conference and to respect the timetable it has itself set for the achievement of these objectives;
45. Criticises, in this respect, the inactivity of the Council which has led to years of stagnation in sectoral structural policy within the Community, emphasises the inadequacy of the progress made towards the liberalisation of capital movements and asks that greater efforts be made to co-ordinate economic and monetary policies so that liberalization can be pushed forward;
46. Stresses that Community measures to combat inflation must form part of the medium-term policy and again asks the Commission to submit to the Council, as soon as possible, a proposal for a guideline or regulation on stability, economic growth, a high level of employment and balanced external trade;
47. Repeats the criticism made on several occasions in 1971 and 1972 that there has been insufficient harmonization of Community statistics, and in this context draws attention to the discrepancy between a demanding programme and a shortage of personnel to put it into effect and requests that steps be taken in the statistical sectors mentioned in Oral Questions No. 17/72 to the Council and No. 22/72 to the Commission

in order to guarantee that the process of integration in the area of economic and monetary union is statistically covered to the required degree;

48. Expects that the Commission, the Council and the Member States by adopting a stability-oriented economic policy of growth can contribute to avoiding, in the future, difficulties such as those created by recent developments in international monetary relations and requests, concerning the reorganisation of the international monetary system, that commercial advantages should not be obtained by unilateral changes in the monetary parities of the Member States;

O. Regional Policy

49. Deeply regrets that the proposals made by the Commission concerning regional policy in 1969 have not been followed up, but expresses the hope that the decision to develop a common regional policy made at the Paris Summit will be implemented rapidly and vigorously and that the deadline of 31 December 1973 laid down for the establishment of the Regional Development Fund will be met;
50. Considers that the Regional Development Fund, in order to be effective, must be of sufficient size to be able to make an impact on the regional problems of industrial and agricultural transformation and structural underemployment which each of the countries of the Community faces to a greater or lesser extent;
51. Draws attention to the problem of establishing criteria governing the expenditure of regional funds and believes that the committee responsible for establishing these criteria and for co-ordinating regional policy should be attached to the Commission alone, as proposed in 1969, and not to the Commission and the Council, as suggested in paragraph 181 of the General Report of the Commission;
52. Considers that the proposed Regional Development Company could be a valuable supplementary instrument in correcting sectoral imbalances, but, in the absence of specific information and details concerning this proposed body, reserves its position;

P. Social Affairs

53. Urges the Commission to make specific proposals: to improve the position of women in economic, social and civic life, and suggests that in this respect a Consultative Committee and a special department of the Commission should be set up; to orientate the social action of Member States in favour of the elderly so as to achieve a greater integration of the elderly into modern society; to extend the experiment made within the framework of the ECSC concerning the

construction of housing to other sectors; and to encourage means by which the ownership of homes by workers can be facilitated;

54. Considers that Community Social policy should consist of parallel development on two levels: first, action by both sides of industry, which should be more closely associated with Community policy, with special reference to the establishment of joint committees for all major sections, so as to facilitate the conclusion of European collective agreements; second, action by the Community authorities which (particularly in the light of the opportunities provided by Article 235 of the EEC Treaty) should carry out the priority aims envisaged in the "Parliamentary Guidelines" which the European Community published in 1971 and the Parliament endorsed and which should establish a European social budget, before the establishment of the general social programme decided by the Paris Summit;
55. Draws special attention to the persistent quantitative and qualitative imbalances on the labour market and, in this context, calls for (a) better coordination of the instruments of intervention available to the Community; (b) the enlargement of the Renovated Social Fund so as to enable it to respond to the many requests which are bound to be addressed to it;

Q. Health

56. Urges the Commission to intensify its efforts to ensure the safety of the peoples of the Member States from radiation, and to perfect the safety regulations governing nuclear installations and invites the Commission to propose safety norms for lazer beams and micro-waves;
57. Welcomes the efforts of the Commission to promote and develop co-operation between Member States concerning occupational safety, and urges the Commission to make proposals with the aim of achieving harmonization in this important area, based if necessary on Article 235 of the EEC Treaty;

R. Agriculture

58. Observes that the agricultural sector, which is the sector of the economy in which Community policy is the most integrated, has been forced to adapt itself to the monetary vicissitudes with which the Community has been confronted during recent years by taking special measures which must be short-lived;
59. Expresses the fear that, over and above the handicaps imposed by events in the monetary field on the free movement of agricultural products, the distortions which monetary instability has brought in its train might undermine the foundations of the common agricultural policy if progress is not rapidly achieved concerning economic and monetary union;

60. Expresses, also, its concern in this context about a situation in which the agricultural sector could be gravely damaged even though the common agricultural policy - which continued to act as a driving force in European integration - acquired, in 1972, Community mechanisms aimed at bringing about structural reform;
61. Regrets the delays in the implementation of the directives on structural reform adopted by the Council on 17 April 1972 which, meanwhile, must be brought up to date, and requests the Member States to ensure that the provisions for implementing these directives are adopted as soon as possible;
62. Considers it necessary that, in the near future and in view of experience acquired so far, the common agricultural policy be brought in line with the imperative requirements of the economic and social future of the Community;

S. Energy and Research

63. Expects from the Council that, after the totally inadequate results of 1972, Community action on a greater scale than achieved so far can be taken both in the field of energy policy and in the sector of research; where necessary on the basis of Article 235 of the EEC Treaty;

T. Transport

64. Regrets that the Commission of the European Communities does not propose; in the sections of the General Report dealing with transport, any indications of a policy capable of giving transport policy a fresh start, and regrets, further, the failure of the Council to arrive at the necessary decisions;
65. Hopes that, in view of the failure of the Community's attempts to deal separately with different aspects of transport policy, an overall policy will be adopted concerning the major issues affecting price policy, capacity policy, systems of rates for the use of infrastructure, social and technical harmonization and the removal of frontier obstacles in the transport field;
66. Appeals to the Commission to make a further attempt in 1973, particularly in the light of the enlargement of the Community, to propose an overall solution to the unresolved basic problems relating to a common transport policy;

RELATING TO CHAPTER V

U. External Economic Relations

67. Urges the Commission and the Council of Ministers to make, according to their respective competences, a constructive contribution to the forthcoming trade negotiations in GATT in order to achieve the harmonious expansion and further liberalisation of world trade on a reciprocal basis;
68. Considers that the special interests of the developing countries should be taken into account by the Community in the GATT multilateral trade negotiations;
69. Notes the increasing difficulties concerning both the internal and the external trade of the Community which result from the different character of the trade of each individual country with Japan and considers that this problem should be solved by means of a trade agreement under the terms of Article 113 of the EEC Treaty;
70. Emphasises the difficulties which characterise commercial relations between the Community and the state trading countries in view of their bilateral nature and of the difficulties of achieving genuine reciprocity, and requests the Commission to put forward proposals to alleviate these problems;
71. Expects that the Community, through new agreements with the Mediterranean countries, will continue to act in such a way as to carry out its special responsibilities to these countries in the form of a comprehensive Mediterranean policy;

V. Problems of Development and Cooperation

72. Endorses the opinion expressed in the General Report that the Member States were not, during the Third UN Congress on Trade and Development at Santiago, able to carry through, as a Community, a coherent policy towards the developing countries and points, therefore, to the need for the Council to lay down, as soon as possible, initial guidelines for a general Community policy towards the developing countries, and to note the implications for the Community's internal policy;
73. Regrets the lack of progress made by the Paris Summit concerning development aid and in particular the failure of the Heads of State or Government to agree to the suggestion made by the Commission that the Community should implement the UNCTAD resolutions calling for 0.7% of GNP to be devoted to aid and for a 15% increase in imports from developing countries;

74. Welcomes the decision of the Paris Summit providing for the improvement and extension of the Community's generalised preferential system, in respect of both the coverage and the number of participating countries;
75. Endorses the view of the European Commission that the association with the AAMS should be strengthened and improved, and that no weakening of its three fundamental elements of trade, financial co-operation and institutions should be permitted;
76. Recommends the Commission to provide full information for the countries eligible for association, on the basis of which they can assess the possibilities of association with the Community;
77. Urges the Council to make early efforts to solve the difficulties facing the European Development Fund as a result of the unsettled monetary situation;
78. Calls on the Member States concerned to ratify the association agreement with Mauritius without delay;
79. Asks that attention be given to the continually deteriorating trade balance of the AAMS as well as of the East African states with the Community, and calls on the Commission and Council to adopt a flexible approach to arrangements governing imports into the Community of certain products from these countries, and to take into account the interests of these countries in the forthcoming multilateral trade negotiations;
80. Welcomes the increasing contacts between the Community and the developing countries of Asia and Latin America, and calls on the European Commission to set out its policy towards these countries in greater detail;

RELATING TO CHAPTERS VI AND VII

W. The Budget of the Communities

81. Notes with satisfaction that the development of the Communities' own resources, which in 1972 already amounted to more than 60% of receipts, is in accordance with the timetable laid down in the decision taken by the Council on 21 April 1970, and welcomes the progress made in collecting and checking the Communities' own resources in accordance with Community procedures which still, however, require improvement;
82. Believes that the rapid growth in expenditure under the European Budget must lead to an improvement of budgetary instruments, and, in particular, to an expansion of the financial forecasts to cover a period of several years ahead;

X. The European Parliament's Budgetary Powers

83. Condemns the failure of the Commission to fulfil its undertaking of 22 April 1970 to make, at the latest within two years, proposals to increase the budgetary powers of the European Parliament, and regrets that in those parts of the General Report which deal with institutional developments the Commission does not refer expressly to the vote of no confidence - the first in the history of the Communities - brought against the Commission for its failure to meet its obligations under the Treaty of 22 April 1970;
84. Demands the Commission to respect its obligation to present new proposals aimed at increasing the budgetary powers of the Parliament (by 1 June 1973 at the latest) so that new budgetary procedures can be applied in time for the scrutiny, in 1974, of the 1975 budget of the Communities;

Y. Supervision of the Financial Activities of the Communities

85. Regrets that until now there has been no satisfactory application of the Resolution annexed to the Treaty of 22 April 1970 concerning the presentation to the Parliament by the Commission of Financial Notes (fiches financières) on Community decisions nor by the Council of its obligation to explain to the Parliament its reasons whenever it does not follow the opinion of the Parliament;
86. Considers, as it has in the past, that the Commission's efforts to improve internal and external checks on Community expenditure do not go far enough and are still not part of an overall plan and urges the Commission to act energetically in this respect;

87. Notes that efforts to check cases of fraud in the EAGFF have met with practically no success in 1972, and urges the Commission, in co-operation with the Member States, to uncover frauds so that the culprits can be punished;

Z. Legal information policy

88. Invites the Commission to continue and to develop its information activities directed at the legal profession in the different Member States;

RELATING TO MISSING CHAPTERS

Youth

89. Urges the Commission, as regards questions of vocational training, re-training, further education and exchanges of young working people, to intensify its activities so as to ensure that each individual receives the best possible vocational training;

Education

90. Regards the founding of a European University Institution in Florence as a first step in the right direction and emphasises both the need to organize, immediately, systematic co-operation and exchanges between existing universities within the Community, and also the need to promote co-operation between institutes of higher education and to examine the prospects for extending and completing the system of European Schools;
91. Requests the Commission to come to grips with the reciprocal recognition of university degrees, higher educational diplomas, and professional and technical educational certificates;

Cultural Co-operation

92. Welcomes the prospect, opened up by the Paris Summit Conference, of a "European Union" and invites the Commission to work out proposals aimed at promoting cultural co-operation at the Community level, bearing in mind the problems and interests of ethnic groups, and to establish regular contacts with other international organisations (notably the Council of Europe and UNESCO) which are working in the domain of cultural co-operation;

GENERAL CONCLUSION

93. Considers that the form of its General Report on the Annual Report submitted to it by the Commission should be changed, next year, so as to make the Parliament's Report a more effective instrument;

94. Instructs its President to forward this resolution to the Commission and Council of the Communities.

