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## INTERIM REPORT

drawn up on behalf of the Committee on Energy, Research and Technology

on the progress necessary in Community research and the proposals from the Commission of the European Communities to the Council (Doc. 166/73) for a scientific and technological policy programme

Rapporteur: Mr G. FLÄMIG

PE 34.194/fin.



By letter of 4 April 1973 the Committee on Energy, Research and Technology requested permission to prepare a report on the four-year plan as the starting point for the progress necessary in Community research.

By letter of 16 April 1973 the President of the European Parliament authorized the committee to report on this subject.

By letter of 24 September 1973 the President of the Council of the European Communities, exercising his option but also pursuant to Article 235 of the EEC Treaty, consulted the European Parliament, on the proposal from the Commission of the European Communities to the Council for a scientific and technological policy programme.

On 9 October 1973 the President referred this proposal to the Committee on Energy, Research and Technology as the committee responsible and to the Committee on Budgets for its opinion.

In accordance with the authorization given by the President of the European Parliament in his letter of 16 April 1973, to prepare a report on the four-year plan as the starting point for the progress necessary in Community research, the committee appointed Mr FLAMIG rapporteur at its meeting of 17 May 1973, and at its meeting of 22 October 1973 decided that the Commission proposal on the progress necessary in Community research should be dealt with in an interim report by the rapporteur.

The committee discussed the proposal at its meetings of 22 October and 5 November and adopted the motion for a resolution together with explanatory statement unanimously on 5 November 1973.

The following were present: Mr Springorum, chairman; Mr Bousch, vice-chairman; Mr Flämig, vice-chairman and rapporteur; The Earl of Bessborough, Mr de Broglie, Mr Glesener, Mr Giraud, Mr Hougardy, Mr Lagorce, Mr Lautenschlager, Mr Marras (deputizing for Mr Leonardi), Mr Memmel, Mr Noè, Mr Normanton, Mr Petersen, Mr van der Sanden, Mr Verhaegen, Mrs Walz.

The opinion of the Committee on Budgets is annexed to the interim report.

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The Committee on Energy, Research and Technology hereby submits to the European Parliament the following motion for a resolution together with explanatory statement:

MOTION FOR A RESOLUTION

on the progress necessary in Community research, embodying the opinion of the European Parliament on the proposals from the Commission of the European Communities to the Council for a scientific and technological policy programme.

The European Parliament,

- having regard to the proposals from the Commission of the European Communities to the Council for a scientific and technological policy programme (COM(73) 1250 final),
  - having been consulted by the Council (Doc. 166/73),
  - recalling its previous resolutions stressing the need for a Community research and development policy,
  - having regard to the interim report of the Committee on Energy, Research and Technology and the opinion of the Committee on Budgets (Doc. 219/73),
1. Notes that the Commission's proposals give practical effect to paragraph 7 of the final communiqué of the Paris Conference of Heads of State or Government on industrial, scientific and technological policy<sup>1</sup>;
  2. Believes that the structural measures proposed by the Commission, and particularly the setting-up of a Scientific and Technical Research Committee (STRC), will make it possible to set Community research and development targets especially in the medium and long term;
  3. Hopes that in this way it will be possible to progress beyond the stage where non-Community research activities are conducted either at government level or on the basis of bilateral or multi-lateral agreements;
  4. Considers that as a prerequisite for the coordination of national research and development policies, the Community should be regularly informed on such policies and that, furthermore, the Member States should comply with measures decided at Community level on the advice of the STRC;

<sup>1</sup> Section 7 (paras. 2 and 3) containing the essential provisions in this field, reads as follows: 'Objectives will need to be defined and the development of a common policy in the field of science and technology ensured. This policy will require the coordination, within the institutions of the Community, of national policies and joint implementation of projects of interest to the Community.

To this end, a programme of action together with a precise timetable and appropriate measures should be decided by the Community's institutions before 1 January 1974'.

5. Notes that decisions on Community research and development policy are having an increasing effect on national programmes and on the quality of life, and urges the European institutions and the Member States to give their fullest attention to drawing-up comprehensive guidelines in this area;
6. Is of the opinion that the Commission's proposals do not place sufficient emphasis on the legal and financial bases necessary for the definition of a Community research and development policy; considers in particular that in the case of a motion for a resolution on the establishment of the STRC it would be desirable to apply Article 235 of the EEC Treaty;
7. Takes the view that funds for the implementation of the first stage of the action programme should be included in the Community Budget and requests that an initial sum of 1 million u.a. be entered in an appropriate Article of the 1974 budget;
8. Agrees with the Commission of the Communities that the selection of short-term Community research activities should be made within the framework of existing Community policies;
9. Calls on the Council to take an early decision on the proposals put forward by the Commission in the outline programme so that the Commission can frame practical implementing proposals without delay;
10. Reserves the right to analyse, in a subsequent report, the implications of the Commission's present proposals for the Joint Research Centre;
11. Emphasizes that the implementation of the Commission's proposals would constitute an immediate if modest step forward;
12. Expects the Commission to submit proposals consolidating and extending this initial progress towards a Community research and development programme;
13. Instructs its President to forward this resolution and the report of its committee to the Council and the Commission of the European Communities.

EXPLANATORY STATEMENTI. INTRODUCTIONa) The background to the action programme

1. Despite the impressive number of studies, preliminary draft programmes and motions for resolutions, and the equally impressive number of declarations of intent, the Community, in 1973, is still without a Community research and development programme.

Neither the research programmes undertaken in pursuance of the ECSC, EEC and EURATOM treaties, nor the existence of a Joint Research Centre, have produced an overall concept for a Community Scientific policy.

2. In the absence of any progress it would be tedious and discouraging to recall here the Commission's endeavours in this direction and the appeals made by the European Parliament. The Community Heads of State and Government themselves, in the final communique of the Summit Conference in The Hague (1-2 December 1969), reaffirmed their desire to step up Community activity with a view to coordinating and encouraging research and industrial development in the principal leading sectors, particularly by means of Community programmes, and to supply financial resources for this purpose.

3. Unfortunately, this desire of the Heads of State and Government did not make itself felt at the level of the Council of Ministers, which explains how little has been done.

4. The Paris Summit Conference (19-21 October 1971) reaffirms the need to 'define objectives and promote the development of a common policy in the scientific and technological field. This policy will require the coordination, within the institutions of the Community, of national policies and the joint implementation of projects of interest to the Community. To this end, an action programme with a precise implementing timetable and appropriate funds should be adopted by the Community institutions before 1 January 1974'.

This declaration provides the new starting point and basis for a Community research and development programme, superceding the communication from the Commission to the Council on the 'objectives and resources of a common policy on scientific research and technological development' (COM (72) 700, 14 June 1972).

b) Objective of the action programme

5. The objective of the action programme is ambitious, namely: 'progressively to implement a common policy on scientific research and technological development, notably as a means of helping to achieve the aims set out in Article 2 of the Treaty establishing the European Economic Community'.

The European Parliament has for a long time been calling for the introduction of such a policy and can only record its complete agreement with this objective. It will of course be necessary to ascertain whether the content of the programme is adequate to ensure that the objective is met, and whether the funds available are sufficient to give practical effect to the planned policy.

II. METHODOLOGY

6. A precondition for the implementation of a research and development policy is the definition, in the light of known requirements, of a coherent set of priorities corresponding to Community aims. This is the only way to avoid the present pitfall of a series of fragmentary actions unconnected with each other and not falling within any clearly defined policy.

The Commission is well aware of the soundness of this method. In the introduction to its document it states that 'the implementation of a common scientific and technological policy consists in taking as its basis an evaluation of expressed or felt needs, and on this basis jointly selecting and drawing up a coherent set of long-, medium- and short-term objectives and the priorities to be complied with in achieving them'.

7. However, the Commission of the Communities is restricted in the proposals it can make inasmuch as it is not at present possible to determine medium- or long term objectives because of the lack of structures and studies on which to base such a choice. The Commission rightly rejects the idea that this is an excuse to do nothing while waiting for the data that will enable these objectives to be laid down. In fact, the Paris declaration confers upon it the task of submitting short-term measures to the Council, and making proposals for setting up the structures necessary for the determination of longer-term activities. In view of these two aspects, the adoption of the Commission's proposal would represent a step forward for the Community research and development policy, which although modest could be achieved immediately and improved as the time-table is implemented.



### III. PREREQUISITES FOR A COMMUNITY RESEARCH AND DEVELOPMENT POLICY

#### a) Structural measures

8. The Commission recently set up a standing advisory body, the Scientific and Technical Research Committee, with independent experts as members. Its main task is to undertake a permanent survey of the technical potential and the socio-economic requirements of the Community. It will have access to a wide range of information and its members are leading experts in their field. The STRC should therefore be able to provide the Commission with the objective data required to frame a research and development policy. The constituent meeting of the committee was held on 4 and 5 April 1973.

The Commission expects a great deal from the STRC but nevertheless takes the view that more must be done to devise structures for a research and development policy - hence the proposals before us today.

9. The Paris declaration specified that a common scientific and technical policy would require the 'coordination of national policies'.

Thus, the first draft decision proposed by the Commission establishes a Scientific and Technical Research Committee (STRC) 'capable of contributing, by its work and its opinions, to the effective coordination of national policies in this field and the adoption of appropriate measures by the institutions of the Community'.

10. The need to coordinate national research and development policies is evident from the simple fact that in 1972 the research budget of the six Member States was about 5000 m.u.a., whereas the Community research budget was only in the region of 100 m.u.a. The use of these large sums will have to be coordinated in order to avoid duplication of work and to arrive at an appreciation of the overall research situation in the Community (cf. Article 1 of the draft decision).

The Commission of the Communities proposes that the Scientific and Technical Research Committee should consist of senior national and Community officials with responsibility for research. This body, which will be set up between the Commission and the Council, will have a consultative role. In this way, the Commission will retain its right of initiative and the Council its right of decision.

11. The work programme and timetable, which form an integral part of the draft decision, pose the problem of supplying the Commission and the Scientific and Technical Research Committee with the necessary information

on civil research conducted by the Member States. The timetable sets 1976 as the date for the 'systematic forwarding by the Member States (from the preparatory stage) of all national R. and D. plans, programmes and projects to the Commission.' The Committee on Energy, Research and Technology can only hope that the Council will adopt a regulation to this effect before the deadline is reached. Moreover, in order to make co-ordination effective, it will be necessary, after a transitional phase, to make compulsory the measures recommended by the Community institutions after consulting the Scientific and Technical Research Committee.

12. The adoption by the Council of the draft resolution on the participation of the European Communities in the European Science Foundation would provide a new framework for European cooperation in basic research.

This Foundation which was originally suggested by the Commission (see Doc. COM(72) 700) owes its existence to a proposal from the Scientific Councils of sixteen European countries, including the nine Member States of the Community. A preparatory committee formed on 25 September 1973 by the Scientific Councils, has been given the task of drawing up practical proposals to this end.

The aim of the Foundation will be to encourage the exchange of information, to promote the mobility of research workers and to determine projects to be pursued in common.

Your committee shares the view that participation of the Community in the operation of the Foundation would facilitate the promotion of basic research and the determination of measures to be taken at Community level (after consulting the Scientific and Technical Research Committee).

13. We have already pointed out that the Community does not at present have the necessary data to define, within the framework of a coherent set of priorities, medium - and long-term research and development activities.

In order to bridge this gap, the Commission has submitted to the Council a 'draft resolution on a programme of research as an instrument of forecasting, assessment and methodology in the European Economic Community'.

This proposal aims to establish structures permitting:

- the working out and checking of research methods;
- the establishment of development alternatives for the Community in order to facilitate policy choices;

- a decision on the setting up of a Technology Assessment Office with the task of studying the economic, ecological, social and human implications of the various research and development projects.

14. Research represents both a source of change and a reflection on this change. It therefore plays an essential role in any society in which man intends to be master of his destiny. In our opinion it is vital that the Community should, through studies of this kind, be master of its future. Such an undertaking requires time and great caution. For this reason we consider the scheme recommended by the Commission for achieving this aim to be justified.

b) Legal and financial means

15. In its document of 14 June 1972 (COM (72) 700), the Commission of the Communities emphasized very clearly that the establishment of a Community research and development policy presupposed that 'the Council would recognize that the Community's sphere of competence extended to all fields of scientific research and technological development, and would grant it suitable resources by implementing, as appropriate, the provisions of Article 235 or Article 236 of the EEC Treaty'.

The present document does not broach this aspect of the problem. Moreover, only one of the proposed decisions is based on Article 235 of the EEC Treaty, the others simply making reference to the Treaty. In the opinion of your committee, the role assigned to the STRC implies that the decision on its establishment should be based on Article 235 of the EEC Treaty.

16. We nevertheless believe it essential to the Council to explicitly recognize the Community's responsibility for research and development policy. If it failed to do so it would be impossible to move beyond the present stage of fragmentary research and development activities conducted for the most part on a basis of cooperation between States. The rejection of part of the Commission's proposals on the pretext that they lacked a legal basis would in fact amount to a refusal by the Council to accept the developments necessary for implementation of paragraph 7 of the final communiqué of the Paris Conference.

17. The Commission's document gives no indication of the nature or quantity of the financial resources which will be required in the future for the establishment of a research and development policy. On the other hand, in its document of 14 June 1972 (COM (72) 700), the Commission explicitly emphasized the need for the Community to take steps to ensure an 'increase in the proportion of Community resources that it would be necessary to allocate progressively to this type of activity. While a high

percentage of these resources was allocated to agriculture in the sixties, it seems reasonable that the promotion of Community activities should be more balanced in the seventies, taking into account the technological and industrial needs and the potential of the enlarged Community.'

A sum of 500 000 u.a. is requested for 'Research as an instrument of forecasting, evaluation and methodology' for 1974.

The Commission has requested from the Council a further 500 000 u.a. for the studies required to define Community-interest projects in the energy and social policy fields.

The Committee is in favour of this appropriation and has submitted a request to this effect for the 1974 budget.

18. The Committee on Energy, Research and Technology takes note of the Commission's observation that the principle put forward in the document dated 14 June 1972 continues to apply in full and still reflects its views in the matter. Reference is also made in this connection to the opinion of the Committee on Budgets (draftsman Mr PISONI PE 34.549/fin) which will be found attached.

c) Scientific and technical means

19. The Joint Research Centre, whose initial aim was to implement programmes financed and conceived by the Community, must be retained after this stage and form an integral part of the overall Community research and development policy. In this way it would have a true 'raison d'être' and its capabilities could be used with the maximum of effectiveness. Our Committee proposes to examine, in a subsequent report, the implications of such a development for the JRC.

#### IV. SHORT-TERM MEASURES

##### a) Measures in support of Community policies

20. Your committee welcomes the fact that the Commission's proposals are not restricted to the setting up of structures designed to ensure the beginnings of cooperation and to permit the definition of a long-term research and development policy. Indeed, it is possible and highly desirable that practical measures should be taken now to ensure that the Community research and development policy is as streamlined and as realistic as possible. The choice of such measures cannot be made in the abstract. For this reason we share the view of the Commission, which proposes to retain only those research measures necessary to the sectoral policies of the Community.

21. The draft Council resolution on an 'initial outline programme of projects of interest to the Community in support of Community policies' sets the following priorities:

- social policy : medical research sector;
- energy policy : energy research programme;
- aid policy vis-à-vis the developing countries : scientific and technical cooperation;
- industrial policy :
  - materials
  - data processing;
- environmental policy :
  - reduction of pollution
  - improvement of the environment
  - water supply.

In the Commission's view, the Council should adopt the principle of this outline programme. Implementing proposals would be submitted to it later by the Commission, after consulting the Scientific and Technical Research Committee.

22. The Commission has also submitted to the Council a proposal for a decision 'adopting a research and development programme for the European Economic Community in the aero-engine sector'. According to the Commission, studies in this sector are already sufficiently advanced for a research effort to begin. This would admittedly be modest, since it would be based on a budget of only 8,290 m.u.a. and would involve a staff of only two Community servants. However, the Committee on Energy, Research and Technology questions the degree of priority given to this effort, however important it may be. In fact, it believes that it is out of all proportion. The efforts as a whole, some of which are truly matters for urgent action, have only been announced and therefore amount only to declarations of intent. The only action forming the object of a proposal for a decision relates to research in the aero-engine sector.

The Commission of the Communities should have explained its reasons for proposing to the Community a type of action which would normally fall within the scope of the aeronautical industry. Is it really logical that the Community should assume responsibility for the non-profitable sectors of industry? In point of fact, such an attitude could only be justified if it represented the last chance for the European aeronautical industry to keep up with the aeronautical industries which dominate the world market. At the same time, this demonstrates once again the need for European industry to establish bonds of cooperation at Community level, notably in the research sector, before resorting to a 'last-ditch' solution.

23. The second part of the Commission's document gives details of the outline programme discussed in the previous section.

Without denying the significance of the other activities, our Committee places particular emphasis on the importance of the draft resolution concerning the research programme in the energy sector.

This programme has the advantage of giving a complete survey of the research already initiated to be undertaken in this field. At the same time, it lays down general objectives, the main ones being to improve the security of primary energy supply, to ensure the quality of the energy produced and to maintain a competitive price.

24. It will be our Committee's task to make a more detailed study of the various activities listed in the programmes as and when the Commission forwards its implementing proposals. It can state at the outset, however, that it is in agreement with the principle adopted as regards the selection of activities, and with the Commission's recommended method of implementation.

b) Scientific and technical information and information management

25. In this field, the Commission merely announces its intention to make proposals at a later date on the achievement of a European information and documentation network with a view to placing at the disposal of industry and society all available scientific and technical information.

A three-phase programme of action is envisaged for this purpose.

Your committee emphasizes the importance of such a project, especially since, for its realization, the Commission has nothing more in mind than collaboration between existing centres or institutions.

c) Tasks in connection with public work and scientific and technical services

26. Here again the Commission merely announces its intention to present proposals at a later date. Starting with existing institutions (the Central Bureau for Nuclear Measurement and the Community Bureau of References), the objective is to set up a genuine 'European Bureau of Standards'. Your committee emphasizes the importance of such a development, which would help to eliminate many technical obstacles and hence to establish a true Common Market.

V. CONCLUSIONS

27. As we have tried to show in this report, the merits of the Commission's proposals are threefold.

First, they are aimed at providing the Community with the necessary data for setting long-term research and development objectives and, in more general terms, with information useful for political choices with implications for the future.

Secondly, the Commission proposes that the Council should adopt an outline programme of activities which could be started immediately and which would have beneficial results for Community sectoral policies.

Lastly, as we have emphasized, the adoption of the Commission's proposals would represent a modest but feasible step forward. We believe it feasible because the conditions to be met should be acceptable to the Council and above all because it conforms with the wishes expressed by the Heads of State or of Government at the Paris Summit Conference.

28. Your committee nevertheless regrets that the Commission's document has not placed the emphasis on the general powers which must be accorded to the Community in matters of research and development policy. It also believes that the Commission's proposals should have been accompanied by a plan for releasing budgetary resources for a Community research and development policy.

29. With these reservations, your committee supports the Commission's proposals and fervently hopes that these will result in the establishment of a Community research and development policy, the lack of which has until now certainly delayed, if not hampered the strengthening of the European Community.

OPINION OF THE COMMITTEE ON BUDGETS

Draftsman of the opinion: Mr. F. PISONI

The President of the Council of the European Communities, by letter of 24 September 1973, consulted Parliament on a scientific and technology policy programme submitted in the Council by the Commission.

On 4 October 1973 the programme in question was referred to the Committee on Budgets for its opinion.

Mr PISONI was appointed draftsman on 27 September 1973.

At the meeting on 12 November, the conclusions drawn in the opinion were unanimously adopted.

Present at the meeting:

Mr SPENALE, Chairman, Mr ARTZINGER, the Earl of BESSBOROUGH,  
Mr GERLACH, Mr MEMMEL, Mr NOTENBOOM, Mr PETRE, Mr POUNDER,  
Sir Brandon RHYS-WILLIAMS, Mr SCHMIDT and Mr WALKOFF (deputizing  
for Mr MUELLER)



1. The Commission's proposals in this field follow from the Declaration of the Conference of Heads of State and Government of 19-20 October 1972.

The aims of this extensive programme are obviously most ambitious. The intention is to put into effect a common policy which has so far been non-existent.

2. The Commission's proposals fall into two parts:

(a) the first is concerned with certain fundamental requirements, with the co-ordination of national policies in the science and technology sector, promotion of basic research, joint projects of Community interest, scientific and technological information and its management, and long-term research.

(b) the second part details 'outline' programmes to back the Community's policies. It contains proposals for a few basic research projects in support of social and energy policy aid to developing countries, and in the industrial and environmental fields. This part concludes with a proposal for an action programme in the aero-engine sector.

3. Broadly speaking, the programme deals with general principles but it fails to indicate, even in general terms, the size and nature of the financial resources necessary to achieve its objectives.

This is the principal observation the Committee on Budgets has to make.

4. As regards individual proposals, the above general observation may be amplified as follows:

Coordination of national policies in the scientific and technological field

5. It is proposed to set up an advisory Scientific and Technological Research Committee (CREST). One of its tasks would be to examine national and Community plans, programmes and budgets in order to promote coordination of Member States' policies with Community action. The committee would work in close liaison with the Budgetary Policy Committee.

In view of the committee's terms of reference and the fact that they include the examination of national and Community budgets, it is difficult to see why the committee should formulate its opinions on its own initiative or on request by the Council and Commission, but not by Parliament.

Since Parliament is the budgetary authority, opinions delivered in Community bodies which may affect the Community's income and expenditure should be submitted to it as a matter of course.

6. The same proposal states that the committee's secretarial staff will be provided by the Commission but no estimate of the costs is provided.

### Promotion of basic research

7. The proposal provides for the establishment of a European Science Foundation to stimulate European cooperation. The Community would provide material assistance in the running of this institution which is to be set up by the research councils and academic bodies of Western European countries.

The Foundation would provide financial aid in support of concerted activities and cooperation schemes.

Nothing is said, however, on the sources of this financial aid or the financial implications of Community assistance in the running of the Foundation.

### Joint execution of projects of Community interest

8. The 'draft resolution' on this subject merely states that the Council will take note of the fact that the Commission will submit appropriate proposals for research in the various sectors of Community policy. The draft resolution thus does no more than take note of a Commission commitment.

### Long-term research

9. A draft resolution by the Council is envisaged approving the financing of a one-year research programme as an instrument of forecasting, evaluation and methodology. The explanatory statement puts the cost of the one-year preparatory stage at 500,000 u.a., to cover the emoluments of top-level scientists.

There is nothing adduced to support this cost estimate.

The Committee on Budgets is thus unable to accept this proposal in view of the summary fashion in which it is presented.

### The second part of the programme

10. The 'outline' programmes described in the second part call for no particular comment.

There is reference to the setting up of sectoral committees, for which secretarial services would be provided by the Commission. It is not stated, however, whether these new requirements would mean new posts in the establishment plan.

### Research programme in the aero-engine construction sector

11. This is the subject of the last proposal in the second part. It calls for a Community research programme extending over three years at a cost of 8.29 million u.a. The Committee on Budgets has reservations on this estimate.

A final opinion cannot be given until proper information is received from the Commission on the criteria used in the assessment of these costs.

#### CONCLUSIONS

As stated in paragraph 16 of the Report by Mr Gerhard FLÄMIG (PE 34.194), and as explained above, the Commission document under review contains no indication of the nature and size of the financial resources needed for the implementation of a research and development policy. And yet there is no doubt that insofar as this is to be a Community policy, it will give rise to problems of estimating expenditure and revenue.

The Commission should therefore have dealt with this problem, if only in broad terms, for it is an integral part of research and development policy.

Furthermore, from the time the Community becomes financially autonomous (budget financing from own resources) such major proposals as those for a new Community policy should contain an estimate of the financial implications.

Since the Commission's document does not meet this requirement, the Committee on Budgets must record its serious reservations on the proposals under review.

