

European Communities

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LIBRARY**OPINION**

of the Committee on Economic and Monetary Affairs

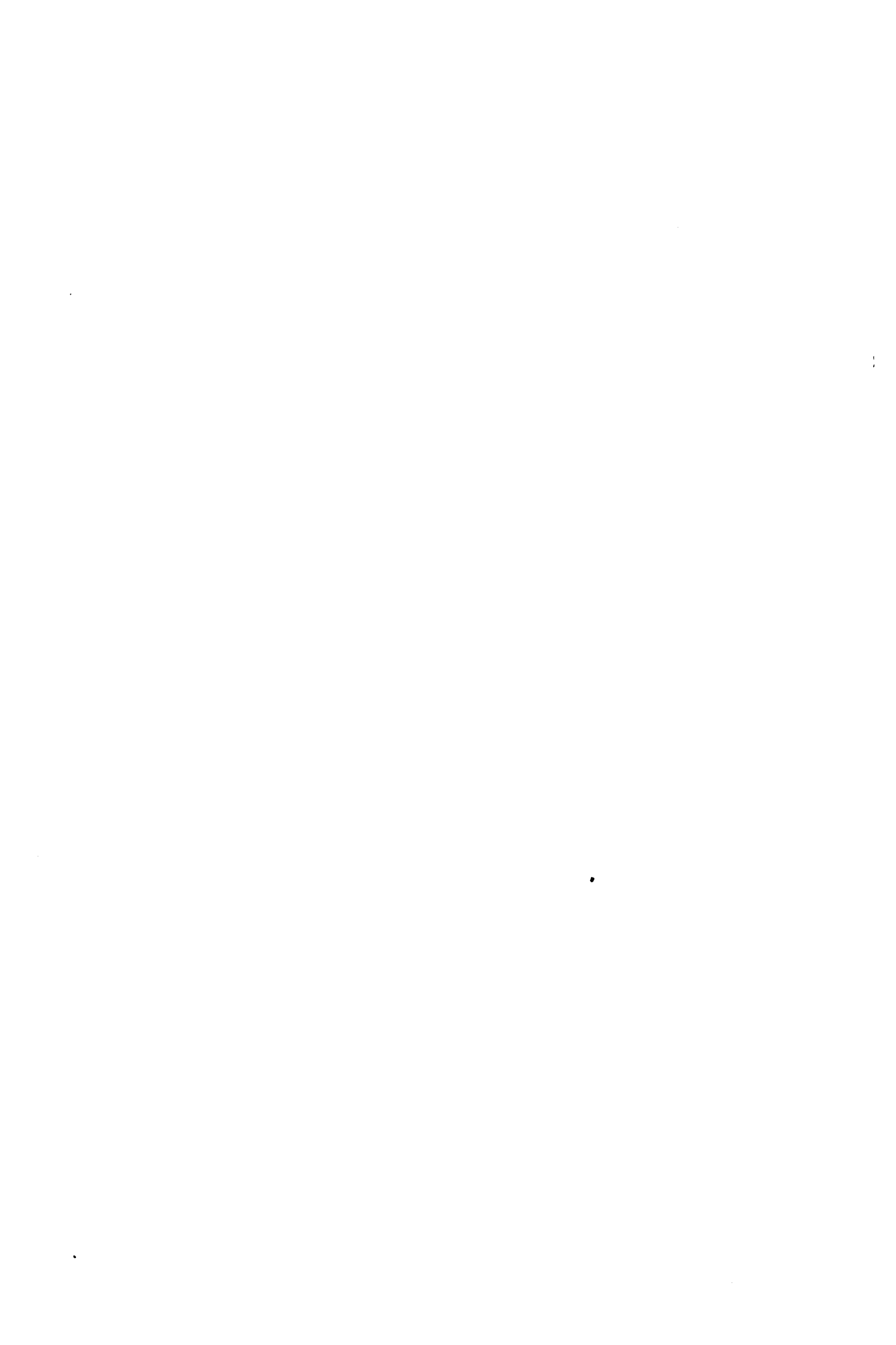
on the proposal from the Commission of the European Communities to the Council (Doc. 472/74) for a directive on the reduction of water pollution caused by wood pulp mills in the Member States

Draftsman of the opinion: Mr G. CARPENTIER

1.2.1

PE 40.004/ANNEX

CP 1575-16: 28/Annex



On 20 March 1975 the Committee on Economic and Monetary Affairs appointed Mr Carpentier draftsman of the opinion.

It considered the draft opinion at its meeting of 25 April 1975 and adopted it unanimously.

Present: Mr Leenhardt, chairman; Mr Notenboom and Sir Brandon Rhys Williams, vice-chairmen; Mr Carpentier, draftsman; Mr Artzinger, Mr Berkhouwer, Mr Dykes, Mr Flämig (deputizing for Mr Albertsen), Mr Gibbons (deputizing for Mr Bourges), Mr Lange, Mr Scholten, Mr Starke, Mr Suck and Mr Vetrone.

1. At its meeting of 24 and 25 April 1975, the Committee on Economic and Monetary Affairs, which had been asked to deliver an opinion on document 472/74 for your Committee, considered the Commission's proposal for a directive on the reduction of water pollution caused by wood pulp mills in the Member States.

This proposal for a directive is part of the European Communities' programme of action on the environment and meets the wish expressed by the European Parliament in its first report on the problems caused by the wood pulp industry to see concrete proposals put forward. However, this proposal, which the Committee on Economic and Monetary Affairs approves in principle, does in its opinion have a certain number of shortcomings which require comment.

2. The text of the proposal is not sufficiently precise about the detailed rules for applying the minimum standards for discharges of effluent waste. The compulsory nature of these standards is not specifically stated and most important of all, no mention is made of any penalties which the Commission could impose to ensure compliance.

3. Similarly, it is regrettable that the final decision on granting temporary derogations pursuant to Article 4 of the proposal (discharge of effluents into tidal waters) lies with the Member States, the Commission being merely consulted.

4. The Committee on Economic and Monetary Affairs, while accepting the desirability of the procedure laid down in Article 7, and the creation to this end of a Committee for adaptation to technical progress, recalls the fact that the European Parliament accepted the setting up of such committees only on condition that their role remained purely consultative and in no way restricted the powers of the Commission (report by Mr W. Müller, Doc. 101/74). This proposal does not take account of the European Parliament's opinion; as a result, the European Parliament could not in future exercise its control on matters which may be of great importance.

5. It should also be noted that the scope and methods envisaged by the Commission for reducing water pollution are too restricted and not sufficiently varied. For both technical and economic reasons the fight against pollution cannot be undertaken in a purely Community framework. For this reason, the European Parliament had recommended in its first report on the problems of the paper pulp industry the adoption at international level and in particular with the member countries of EFTA of provisions on the control of pollution.

6. The European Parliament had also asked that different quality objectives for the environment should be set on a regional basis (industrial areas and recreational areas; report by Mr Jarrot, Doc. 114/74 on the proposal from the Commission of the European Communities for a recommendation to Member States regarding cost allocations and action by public authorities on environmental matters).

7. It would also have been desirable for the Commission's proposal to lay greater stress on the development of production methods which help to reduce the consumption and pollution of water, and the European Parliament had asked for the creation of a special research fund for this purpose.

8. The Commission's proposal does no more than define the technical measures for reducing water pollution from the paper pulp industry. In reality, in view of the high cost of anti-pollution investment, it is somewhat artificial to isolate the study of these technical measures from that of their economic consequences. In the study annexed to the proposal it is pointed out that the cost of anti-pollution installations could vary considerably as a function of both the age of the factory and above all the volume of its production. In view of the special structure of the paper pulp industry in the Community, the protection of the environment is closely bound up with the study of the conditions of competition both at Community and international level, and the study of restructuring problems.

9. At present, only three Member States, France, the United Kingdom and Belgium, grant direct subsidies for combating pollution, although in different forms (subsidies proper; tax relief; low interest loans). This situation, its development, the Commission's proposals¹ on a Community framework for state aids for the environment represent a very wide field of great importance for the Community's development. The European Parliament has already expressed reservations² on priority aid in the form of subsidies to the paper pulp industry and in general on a fragmentary sectoral aid policy (naval construction industry, textile industry, paper pulp industry).

10. The Committee on Economic and Monetary Affairs will therefore, on the basis of Article 13 of the Resolution adopted in the first report on the paper pulp industry instructing it to do so, present an own-initiative report on the problem of national anti-pollution subsidies.

¹Community framework for state aids for the environment (Doc. SEC(74) 4264).

²See First Report by Mr NØRGAARD Doc. 291/74 on the problems of the pulp, paper, and paperboard industry.

Conclusion

11. The Committee on Economic and Monetary Affairs

1. considers this proposal inadequate in view of the lack of sufficiently detailed rules of application (penalties) and the fact that the Member States bear the principal responsibility for implementing and checking compliance with it;
2. recalls the importance it attaches to the 'polluter pays' principle and its view that aid to the paper pulp industry should take the form of loans rather than subsidies;
3. stresses that, because of the high capital outlay required, the fight against pollution cannot be effective unless undertaken at Community level and also regrets that this proposal does not deal with the problems of the fight against water pollution at international level;
4. regrets that among the various methods of fighting pollution the proposal does not lay greater stress on the development of less polluting production methods and the promotion of research;
5. notes that the fight against pollution is closely linked to the study of conditions of competition and the problems of restructuring the paper pulp industry in the Community;
6. reserves the right, in view of the importance of these matters and the necessity of making a global analysis, to present a report on state aids for the environment, their effects and the draft Community framework for such aids.