

**De Clercq**

**De Clercq (ELDR)**, *chairman of the Committee on External Economic Relations*. — (NL) Mr President, I should just like to say that the Committee on External Economic Relations recommends urgent procedure because of an undertaking we made in December to find a solution to this problem this month, during this part-session.

**President**. — Does anyone wish to speak for or against the request?

**Verde I Aldea (PSE)**. — (ES) Mr President, the Committee on Legal Affairs supports the request for urgent procedure.

**von Wogau (PPE)**, *chairman of the Committee on Economic and Monetary Affairs and Industrial Policy*. — (DE) Mr President, we find ourselves in a rather difficult situation here because our committee is still in the process of drafting its opinion. I believe there are still a few important points that need to be considered in our opinion. That is why I would ask Mr De Clercq to postpone this urgency after all.

(Parliament agreed to urgent procedure)

#### 4. Political guidelines of the Commission-designate

**President**. — The next item is the presentation of the political guidelines of the nominated Commission. I call Mr Santer, President-designate of the Commission.

**Santer**, *President-designate of the Commission*. — (FR) Mr President, ladies and gentlemen, today, for the first time in the history of our Community, you are being called upon to pass formal judgement on the investiture of a new Commission — you, the representatives of the peoples of the Member States of the European Union, amongst them the peoples of Austria, Finland and Sweden, to whom I extend a warm welcome, and to whom I wish to say: we are glad that you will henceforth be accompanying us on the great adventure that is the unification of Europe.

This formal vote marks the beginning of a new era in relations between the European Parliament and the Commission. And I welcome it, because the European Union will thereby take another step along the road towards increased democratization, and because your endorsement will give greater legitimacy to the Commission over which I am to preside. Europe needs a strong Commission and a strong Parliament, in order to be able to defend the common interest. That is our duty, and that is our intent. The new Commission will be a political institution, in the best sense of the term: it will serve the common good. And I have sensed among you the same determination to place yourselves at the service of the citizens and peoples of Europe. You will find us to be partners in dialogue who are inspired by a spirit of constructiveness and are ready to be accountable to you. In our endeavours, we shall benefit from the immense work carried out by Jacques Delors and his colleagues. Throughout his ten years at the head of the Commission, Jacques Delors demonstrated just what vision combined with skill and a sense of duty can achieve. On this day of such importance to Europe, I am sure you will wish to join with me in saying: thank you, Jacques Delors. Thank you, with all our heart. You deserve well of the Union to which you have given so much.

(Applause)

Personally, I am proud to be able to succeed Jacques Delors as President of an institution which is vital to the future of Europe.

Over the last five years, a number of momentous events have taken place in Europe. Germany has been reunified. Communism has collapsed. Nevertheless, in the words of Vaclav Havel: 'everything is possible, but nothing is certain'. Once again, we are witnessing the resurgence of extreme nationalist sentiments, which are sometimes leading to the outbreak of bloody conflicts, such as that taking place in former Yugoslavia. I draw one major conclusion from this tragedy: more than ever, the European Union must remain a haven of peace and prosperity for the entire continent. Firstly, we must preserve and build on what we have achieved over the last 50 years. The fact that war between our peoples has become unthinkable is nothing short of a miracle. To squander this inheritance would be a crime against ourselves.

At the same time, the Union cannot be a haven of peace in a sea of anguish. Hence the importance of planning for future enlargements. Hence, also, the need to provide ourselves with a genuine common foreign and security policy. The European Union is itself emerging from a difficult period. I am aware that a great many of our citizens are sceptical of a Europe in which they do not always recognize their role. The future of our Community can no longer be the exclusive province of a clique. The people of Europe are demanding to be heard, and to be allowed to participate in a process which has become central to their lives — and they are right. If we do not succeed in meeting their expectations, the European project will fail. And Europe's citizens want unequivocal answers to their questions.

What is the Union doing to ensure that our economy is strong and that the unemployed can find jobs? What is the Union doing to promote social solidarity and to improve the quality of life? What is the Union doing to make Europe's voice heard throughout the world? What is the Union doing to ensure that its institutions are close to its citizens, democratic, efficient and properly managed? The answers to these questions sum up the programme which I shall be presenting to the House today.

We shall put this programme into effect together. Before outlining its main points, I wish to tell the House that in the interests of efficiency, I shall be proposing to my colleagues that, in collaboration with Parliament and the Council, we should revise without delay the 1990 code of conduct. It seems to me only logical to bring it into line with the Maastricht Treaty. In this context, amongst other things, the questions of the withdrawal of a proposal following rejection by a majority in Parliament and the treatment of amendments in second reading will have to be examined. And it is quite clear, I think, that in addressing these issues, the position of the European Parliament must be given the great political importance it deserves.

(Applause)

What I have just said shows that the Commission and each of its members firmly intend to cooperate closely with Parliament. That is what clearly emerged from the discussions I had yesterday with my colleagues. That will be the policy of the Commission. I hope that in this way, the misunderstandings which have arisen over the last few days will be cleared up once and for all.

(Mixed reactions)

That will depend on you, ladies and gentlemen!

(Laughter)

My first priority will be to promote a strong economy in which jobs are created. The White Paper approved by the Heads of State or Government recommends a comprehensive approach

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to promoting competitiveness and growth. This is important, since Europe has no lack of assets, but needs a strategy for exploiting those assets as effectively as possible. In the next five years, our competitiveness must be markedly improved. Nevertheless, there is no point in having a strong economy unless it benefits everyone. The Union must be characterized by solidarity. This is a moral imperative — and much more. I believe that solidarity is itself a factor of economic impetus and growth. That is the message that I wish to convey to the House today. A strong economy: and the internal market is central to our efforts to achieve growth and prosperity. Enormous progress has been made over the last few years, but it is not enough. I shall set myself four essential goals: adding to the rules; simplifying them: ensuring that they are implemented; and guaranteeing fair competition.

Firstly, we shall be continuing legislative action in key areas such as energy and telecommunications. However, liberalization must go hand in hand with respect for the principle of universal service, so that all our citizens can benefit.

Secondly, we shall be simplifying the rules at both national and regional level. The purpose of creating the internal market is to make life easier for economic operators and consumers, to bring about the abolition of customs formalities, to cut the number of rules and to get rid of the millions of forms required. That is far from unimportant. Too often, however, unnecessary difficulties are imposed on undertakings — especially small and medium-sized undertakings — as a result of our compromises. It is precisely small and medium-sized undertakings which create most jobs — and they have not ceased to do so. There are some 17 million small and medium-sized undertakings in the European Union. Just imagine if each of them were to create one extra job!

Thirdly, we shall be ensuring that the rules are implemented correctly and in a unified way throughout the Union. The delays in transposing directives into national law — for example as regards the insurance sector, public procurement and the environment — are to be deplored. The Commission will assume its responsibilities here. If necessary, it will ask the Court of Justice, in accordance with Article 171 of the Treaty, to impose financial penalties on Member States which fail to respect a ruling. Furthermore, the implementation of Community law must be accompanied by the establishment of comparable systems of penalties throughout the Member States. This is, and will remain, an area of competence of the Member States' governments; however, I wonder if the idea of inserting penalty clauses into Community directives is not worthy of consideration.

Fourthly, we shall be safeguarding competition. The European Union needs a referee to ensure what the British call a level playing field. The Commission will be rigorous in assuming its responsibilities in this context, whether in terms of abuse of a dominant position, illegal agreements, or state aids. And I should like to say a word about mergers. This is another area in which we must be rigorous. But that does not mean that our businesses should all remain small units — particularly in view of the powerful competition from third countries and the global nature of certain markets.

To ensure that it is fully effective, the completion of the internal market must be accompanied by the creation of modern and efficient infrastructure in the areas of transport, energy and the environment.

With regard to transport, the European Council decided, at the Essen Summit, to launch 14 major projects before the end of 1996. A further ten major projects in the energy sector will

complete this initiative. The first step in carrying out these projects is to mobilize the necessary funds, whether public or private. Administrative and legal barriers must also be eliminated. The Commission will address this task with enthusiasm and will draw up, as soon as possible, guidelines for infrastructure networks in the environmental sector. A dynamic research and development policy will be one of the keys to success. The Union will spend more than ECU 12 billion under the fourth framework programme, and I anticipate exciting developments in innovative areas such as the introduction of 'green' cars, reducing health costs, improving energy efficiency, and the campaign against fraud. Over the next few years, I wish us to step up our efforts to concentrate resources, enhance the links between research and industry, facilitate the access of small and medium-sized undertakings to our programmes, and finally apply the principle of the mutual compatibility of national policies and Community policy, as provided for in the Treaty on European Union.

A dynamic economy is not possible without an effective system of education and training. The campaign for jobs begins with the improvement of vocational training for young people and the development of continuous education. And I must stress the importance of the role of businesses in this context. The Maastricht Treaty provides us with new instruments in the areas of education and training. Thanks to these new instruments, the SOCRATES and LEONARDO programmes will be launched in 1995. We must ensure that their operation is as open and effective as possible.

Education and training will benefit directly from the growth of the information society — a genuine technological revolution. The potential of this development is vast: the emergence of markets which are calculated in billions of ecus; a prodigious increase in competitiveness; the creation of valuable new jobs; and enormous progress in the areas of medicine and education. Europe must not miss the boat and, for this reason, the Commission will be organizing a ministerial conference on this subject in February, in the context of the G7.

The process under way is irreversible and universal. Rather than undergoing it, we must guide it: we should implement the action plan proposed by the Commission without delay. But I wish to go further. I wish the European Union to be at the forefront — with European technologies, products and services. Technological progress must contribute to cultural and linguistic diversity in Europe. We must therefore also develop the substance of our strategy, and I should like us to be driving a European vehicle on the information superhighway.

*(Applause)*

Nevertheless, we must be careful to ensure that access to networks and services is not restricted to the most privileged sectors of society. If we fail to do so, knowledge will become a divisive force. On the contrary, it must be a unifying force — and I am confident that the European Parliament will assist the Commission in its efforts in this respect.

If we wish to have a strong economy, we must also have a strong single currency which is not at the mercy of internal exchange rate fluctuations. In this way, we shall be able to develop the full potential of the internal market and encourage investment. The introduction of a single currency will, therefore, bring considerable benefits to citizens in the course of their daily lives, and it should be borne in mind that Europe needs an international monetary status to match its economic and social importance. We must not, therefore, deviate from the road to economic and monetary union mapped out in the Maastricht Treaty. Not so very long ago, the EMU project

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appeared doomed — swept aside by currency speculation. Since then, however, it has begun to revive. Nevertheless, we must remain vigilant.

A monetary project can only be realized if it is based on credible action: that is why the convergence criteria were laid down in the Maastricht Treaty. And the Commission will insist on the strict application of those criteria. The Member States, in their turn, must assume their responsibilities, and not relax their efforts on the pretext that the economic conditions have improved. This, moreover, is one of the principles of good management. Why should we forgo the interest rate reduction that a policy of reducing public deficits will bring? Similarly, a timetable is set out in the Maastricht Treaty. This timetable must be respected and, to this end, the Commission will draw up a list of the necessary preparatory measures, to complement those carried out by the European Monetary Institute. It will also draw up a green paper on the conditions necessary for moving to a single currency. I remain optimistic: EMU will be achieved, I am certain of it. And it will change the life of our peoples.

(Loud applause)

Competitiveness and growth, Mr President, ladies and gentlemen, are undoubtedly essential. Nevertheless, I do not wish to see the type of growth which leaves behind a section of the population, which increases the disparities between regions. On the contrary, I wish to see the type of growth which is underpinned by solidarity — social solidarity, regional solidarity, and solidarity with future generations: for reasons of fairness, justice, morality — of course — but also, I would stress, for sound economic reasons.

Let us look at social solidarity first. Growth is a necessary precondition for the creation of employment, but it is not enough. A genuine employment policy must be put in place without delay, and I am encouraged by the priority given to employment by the European Council at the Essen Summit. The five recommendations which were adopted all point in the right direction: stepping up training; reducing indirect wage costs; improving the efficiency of the labour market; introducing specific measures for young people, women and the long-term unemployed; promoting employment in growth industries. This is, indeed, the route which we must follow. The recommendations are addressed to the governments of the Member States: it is their responsibility to draw up multiannual programmes. The Commission will monitor the employment situation with the help of the ECOFIN and Social Affairs Councils. And why should multilateral monitoring of employment systems not be introduced? I am aware of the importance that Parliament attaches to combating unemployment. The Commission wishes you to be fully involved in this campaign, which is essential to the future of our society. The holding of a wide-ranging public debate on this issue in the European Parliament, before the end of the year, would be welcome.

The public authorities have a role to play, but they cannot do everything. The two sides of industry must also be involved. As a former Prime Minister of my country, I have had what I believe was extremely positive personal experience in this area. Employment is the highest priority of all. It would be a profound mistake, however, to believe that we can win this battle by dismantling our social model. As President of the Commission, I shall never endorse such an approach.

(Applause)

Naturally, ladies and gentlemen, reconciling the desire for higher levels of social protection with current economic

realities will require thoroughgoing reforms. That is the only way to ensure the preservation of the European social model. As for the Commission, it will shortly be presenting action programmes designed to implement the White Paper on European social policy. As provided for in the Maastricht Treaty, it will play an active role in the development of the dialogue between the two sides of industry and the pursuit of increased social convergence between the Member States.

I regret the fact that at the Maastricht Summit, we were unable to move forward together. And I hope that in 1996, the unity of the 15 Member States will be restored, and that together we shall take a further step towards the creation of a social Europe.

(Applause)

As well as preserving the *acquis communautaire*, we must achieve a degree of social cohesion which reflects the evolution of technologies and lifestyles. Particular attention will be paid to fostering equality of the sexes: this is a democratic imperative. The European Parliament is absolutely right in this respect. I fully understood the message that you gave us during the hearings, and I am responding to it. Firstly, I would point out that because this is an extremely important issue, we have set up a special group of Commissioners to deal with it. Having listened to the European Parliament's observations, we recognize that promoting the equality of the sexes must be a guiding principle in all the Commission's action. And this does not apply to the employment field alone. With the agreement of my colleagues, it will be an open group which I personally will chair.

(Applause)

The challenge of combating poverty and social exclusion is equally great. There is an increasing number of people in the European Union who are poor, badly housed and socially excluded. That is quite unacceptable! I am not calling for new powers for the Commission in this field, but combating social exclusion is a duty which far outweighs any squabbling between institutions. I am ready to explore any possibilities, of whatever kind, in order to find solutions.

I will never grow tired of repeating, Mr President, that the European project is a global project. Promoting regional solidarity is an integral part of it. Here too, there is a duty to ensure fairness alongside the potential economic benefits. Fortunately, the route has largely been mapped out in this regard, by virtue of the amendments to the Maastricht Treaty and the doubling of the Structural Funds agreed at the Edinburgh Summit, with a view to increasing economic and social cohesion. The Commission, with the help of the European Parliament and the Committee of the Regions, will pay particular attention to ensuring the effective working of the partnership between the Commission, the Member States and the regions, to carrying out an objective analysis of the impact of the funds on the ground, and to encouraging local development. As provided for in the Treaty on European Union, we shall draw up, by 1996, a detailed report on the progress made. And we shall take advantage of this measure to give fresh impetus to European Union action in this respect.

I have just referred to social and regional solidarity. However, there is another type of solidarity which, I believe, is even broader in its scope: solidarity with future generations. I mentioned this earlier when discussing education, the reduction of public deficits, and the large-scale networks. I shall now refer to it again, in the context of promoting sustainable development — development whereby present needs are met without jeopardizing the ability of future generations to meet

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their own needs. This will also lead me to talk about the quality of our life in a broader sense. We must succeed in making the transition to an economy which incorporates the environmental dimension. We realize, today, that economic performance itself depends on the optimum use of our natural resources. By being at the forefront of the campaign in favour of the environment, we shall, in fact, create new jobs. With this in mind, I would identify three areas for action: firstly, ensuring that the existing rules are applied — our Community is bound by the rule of law, and the Commission is guardian of the Treaties; secondly, integrating environmental considerations into all our policies; and thirdly, as proposed by the Commission, including an environmental audit in the accounts of the Member States and the Union.

For more than 70% of the Union's population, quality of life means quality of urban life. The alarming increase in the problems of social exclusion, crime and pollution in many of our cities should make us stop and think. While respecting the principle of subsidiarity, we must formulate a common approach both to the problems facing us and the means of tackling them — the existing means, and the means to be developed at local, regional and national level, as well as at Community level. The European Parliament has emphasized this in its resolutions.

The regeneration of the countryside and country towns is another priority objective in terms of improving the quality of life. They must be protected as storehouses of environmental quality, while the balance of all aspects of the rural environment — economic, social and cultural — must be restored. In this context, the need for a revitalized common agricultural policy is clear. Implementation of the 1992 reforms is going well, and we can view the future of the CAP and the rural environment with optimism.

Quality of life is inseparable from freedom. Too often, our citizens have the feeling that the internal market was conceived exclusively for businesses. They do not understand why identity checks are still made at the Union's internal borders. Queues at immigration controls at airports are at odds with my own idea of the internal market. I am thinking here of the provisions of the Maastricht Treaty and Article 7a. And then there is the endless red tape which sometimes turns the process of moving from one Member State to another into nothing short of an obstacle course. I never cease to be amazed when I hear that something as simple as a driving licence is not always automatically recognized throughout the Union, without additional formalities. I am calling for a little common sense. I am calling for the principle of mutual recognition to be more widely applied. I believe that our governments should put themselves in the place of their citizens more often. Mistrust between governments, between legislators, between supervisory bodies leads to a rush to secure safeguard clauses, derogations, opt-outs, which mount up and make life impossible for our citizens.

Everything that I have just mentioned has a bearing on consumers. The outgoing Commission has just published a consumers' guide. The new Commission will go further. In the coming months, it will publish a complete guide to consumers' rights in the internal market. This guide will identify, in language which is easy to understand, not only the positive contributions of the internal market, but also its shortcomings and the measures which have been taken, or will be taken, to rectify them.

Mr President, the abolition of the Union's internal borders must be counterbalanced by increased cooperation in the areas

of home affairs and justice. The people of Europe wish to be able to move about freely, but they also wish their leaders to guarantee their security, and to combat crime, drug-trafficking and illegal immigration effectively. In view of the mixed results of cooperation under the third pillar, I am bound to ask myself whether the Member States lack the will to act together in this area, and whether the instruments at our disposal are appropriate.

*(Applause)*

The new Commission will use the powers which it is granted by the Maastricht Treaty to ensure that the potential of the third pillar is fully exploited. Nevertheless, we believe that the current framework is inadequate. The aim of our contribution to the 1996 Intergovernmental Conference will be to bring about a decisive improvement in the process of decision-making in this area, using the Community system as a model.

*(Applause)*

And in an area of such importance to our citizens, the European Parliament must have its say.

*(Applause)*

The European Union has particular obligations towards its citizens, but in a more general sense, it must provide a model of respect for human rights. I view the resurgence of racism and xenophobia in our countries with great alarm, and I share your concern in this respect. The Commission, as a whole, will be fully involved in implementing the joint strategy outlined at the Essen Summit. The fight against this scourge will be an important element of policy in the fields of education, social affairs and culture — to mention only those areas.

Mr President, the European Union is the foremost economic and commercial power in the world. Even more so than in the past, it must be a strong partner which is respected in the international arena, so that it can both defend its legitimate interests and be a force for the promotion of justice throughout the world. Europe must speak with one voice. It is interesting to observe, moreover, that this is what the rest of the world expects of us, and I sometimes have the feeling that Europe is more of a reality to third countries than it is to the Member States themselves.

To maintain its position in the international arena, the Union must, first of all, be consistent in its use of the Community instruments available to it — and, in particular, the instruments of the common commercial policy. The new Commission is determined to play its rightful role in this context — not out of a desire for power, but out of concern for efficiency. This is crucial to promote the interests of the Union, the Member States, and their economic operators. The successful conclusion of the Uruguay Round and the ratification of the GATT agreements made clear the enormous weight that Europe can bring to bear on partners as powerful as the United States, when it decides to speak with a single voice. We must draw the appropriate conclusions from this! Sometimes, as was confirmed by the recent judgment of the Court of Justice on competence in the area of trade, there is too much suspicion between the Union's institutions. And that undermines our capacity for action. We must restore an atmosphere of trust. The Commission will assume its responsibilities when it negotiates on behalf of the Union. And I give you my personal assurance that it will do so with total openness towards the Council and the European Parliament.

The European Union is, and will remain, an open partner. That is its overriding principle. The Commission will endeavour to

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ensure that our partners play by the same rules, and open up their markets by dismantling the barriers that still prevent us from exercising the rights which the World Trade Organization recognizes us to have.

European businesses acquit themselves best in countries with open markets. Similarly, the Commission will not hesitate to use all appropriate commercial means to prevent third countries from pillaging our intellectual property or engaging in the practice of dumping.

In this context, I have to say that the need to balance economic and social considerations does not apply to our region alone. It is not a question of protectionism — an approach which I reject. Nevertheless, if we wish to have a world system which is economically and commercially balanced, economic considerations must go hand in hand with social considerations. The UN summit on social questions — to be held in Copenhagen in March — will give the European Union the opportunity to broadcast this message throughout the world.

Environmental problems also need to be addressed on a global scale. Climate change, biodiversity and the reduction of polluting emissions are all global issues. In this area too, the European Union must be at the forefront of progress. However, the process of cooperating on these issues is becoming bogged down. A timetable has been established: a meeting of the G7 devoted to the environment in April, and the forthcoming discussions on this subject in the World Trade Organization. I hope that the Union will take advantage of these opportunities to give a boost to this process.

The European Union must continue to play its rightful leading role in the fields of development cooperation and humanitarian aid. It must have a presence on the ground, and this will be provided by the Commission. It will be assisted in this respect by the new chapter on Community policy in this area which is contained in the Maastricht Treaty.

Mr President, no one will dispute the fact that the European Union is an economic giant. Nevertheless, it does not play a political role commensurate with its economic position. That explains the attempt at Maastricht to lay the foundations for a more ambitious approach in this respect by developing a common foreign and security policy. This has not yet produced the results which had been hoped for. One of the major problems lies in our inability to develop a coherent approach which encompasses all the political and economic aspects of this field. The CFSP is so far little more than the continuation of the previous framework of political cooperation, with a more impressive title. The division of policy areas into pillars can only partly explain these problems: they are above all in our heads. We must do better! We must concentrate on one issue, which has been the same since the very foundation of the European Community: what are our common interests? Can we pool our efforts to achieve together something which is greater than what any of us could achieve acting alone? The Member States not only have common interests but, more often than not, common reactions. For decades now, we have been assembling a whole range of foreign policy instruments which we do not hesitate to use, whether it is the Lomé Convention or the various trade, partnership and cooperation agreements which we have concluded, or are in the process of negotiating, with a large number of countries.

What are we lacking, therefore, in order to have a genuine common foreign and security policy? The answer is a comprehensive and coherent vision. In the first place, the development of a common foreign policy will require a joint effort of synthesis and planning. The Commission will play a part in

this effort, not in an attempt to supersede the Member States, but to help unify our policies and provide them with a strategic dimension which is currently lacking.

The Commission must begin by setting a good example. I have reorganized the structure of the external relations portfolios by adopting a geographical approach: a Commissioner who is responsible for relations with a given part of the world will be responsible for all aspects of those relations. I wish to make it clear that this reorganization does not call into question, in any way, the horizontal approach with regard to the multilateral aspects of the common commercial policy, the CFSP or — and I would stress this because there have been misunderstandings in this respect — development cooperation.

Furthermore, I wish to state that the new Commission has decided to step up coordination considerably in the area of external relations. With this end in view, I shall myself be chairing a group of Commissioners which is to meet regularly. In this context, I shall personally take charge of human rights policy, which I consider to be a key element of external relations. And I would add that if the European Union wishes to remain credible in this respect, its own human rights record must be absolutely impeccable.

(Applause)

Clearly, we must apply the common foreign policy to all regions of the world. But let us look first at our immediate neighbours.

As far as the countries of Central and Eastern Europe are concerned, the route has already been mapped out: it is the route which — as we decided in Copenhagen in 1993, and have since confirmed — will eventually lead us to welcome them to the European Union. The Commission will therefore make vigorous efforts to implement all aspects of the pre-accession strategy adopted at the Essen Summit. The first priority will be to draw up, without delay, the planned white paper on the integration of these countries into the internal market. There will also be a need to examine carefully the implications of the accession of the countries of Central and Eastern Europe for common policies such as the CAP and the Structural Funds. Before the end of 1995, the Commission will present a white paper which deals specifically with such agricultural questions.

The European Council emphasized the need for us to balance our relations with the East and the South. We cannot remain indifferent to the situation on the southern shores of the Mediterranean. We must develop an ambitious policy of *rapprochement* with the countries of that part of the world, with one clear objective: restoring prosperity and trade to the Mediterranean region. This will not be easy. Alongside the bilateral negotiations which we are currently conducting, we must strengthen our overall approach. The Euro-Mediterranean conference, which is to be organized by the Spanish presidency, will give us the opportunity to do so. With regard to Malta and Cyprus, whose accession to the Union will enhance its Mediterranean element, the Commission will draw up the report which the Council has asked it to submit in 1995. The development of relations with Turkey, which is an important partner of the European Union, will be the subject of careful examination and exhaustive analysis. As regards the Middle East, a region in which we already have extensive commitments, the European Union clearly has a vital interest in actively promoting the peace process there.

On the subject of our immediate neighbours, I cannot fail to mention the Union's relations with Russia and the other

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members of the Commonwealth of Independent States. These countries are going through a difficult period which, for some, is being accompanied by serious crises, such as that taking place in Chechnya. The European Union must do everything possible to assist them in their efforts to establish democracy and a market economy. It is in our interest to have constructive discussion partners who are ready to cooperate. This is another of the important policy areas which requires a coordinated approach.

In worldwide terms, the Union's close relations with its partners in the OECD continue to be of great importance, and in particular our links across the Atlantic. I sometimes hear gloomy reports of the United States' growing disinterest in Europe. I wish to tell the House, quite frankly, that I do not believe this to be the case. We are extremely close partners, and will remain so. Just look at the scale of trade between the two sides of the Atlantic — trade which, I would stress, is not only massive but reasonably well balanced. Just think of our shared security and defence interests. No, I am not pessimistic about our relations, but level-headed and realistic. Europe must maintain its identity vis-à-vis the United States, and I personally am in favour of concluding a genuine transatlantic treaty to make this easier for both parties.

(Applause)

Rather belatedly, our awareness of the importance of Asia is growing. The whole world is watching this booming continent closely. Europe cannot, and will not, fail to be a presence in Asia. By the same token, the countries of that part of the world must resolve genuinely to open up their markets. I am in favour of the idea of organizing a summit meeting of Asian and European leaders.

Another continent which is joining the ranks of the world's booming regions, and one to which we are joined by deep cultural ties, is Latin America. A number of regional groupings are being formed in this area of the world, no doubt influenced by the European model. And I am confident that such a development will open the way to the conclusion of interregional agreements, for example between the European Union and MERCOSUR.

The conclusion of the Lomé Convention was a pioneering achievement of the European Community. Africa, which is the principal beneficiary, continues to struggle against enormous difficulties. The Union will not turn its back on this continent. It will remain in the vanguard of efforts to help it. The recent transition to democracy in South Africa provides an element of hope in this tragic part of the world. I hope that it will be a crucial factor in the development of the entire region. Now that wisdom — as personified by President Mandela, one of the truly great statesmen of the century — has prevailed in South Africa, the European Union must give its full backing to that great country.

The challenges facing the European Union, Mr President, ladies and gentlemen, are vast, and equal to those which have already been surmounted in the process of European integration. The Union has just welcomed to its midst three new members. I am sorry that it was not four. A number of other countries are waiting at the door. They are drawn to the European Union and its message of peace, prosperity and democracy. We have a moral and political duty to welcome among us all those European countries which were previously prevented from joining us by the yoke of Communism. At the same time, however, we have a duty to preserve the Union's assets, to ensure that the *acquis communautaire* is not undermined.

If the price of enlargement were to be movement backwards on the road to integration, everyone would be the loser; the applicant countries wish to join because the Union has high ambitions. On the contrary, there is a need to make a new qualitative leap forward, similar to those that were made at the time of previous enlargements. To this end, institutional reform will be essential. For the moment, however, let us take advantage of the accession of Austria, Finland and Sweden to enhance the efficiency and democratic nature of our institutions and their functioning.

With a view to achieving this goal, I would pick out two courses of action. The first consists of making a constant effort to focus on the essentials, so as to ensure that — in accordance with the subsidiarity principle, laid down in Article 3b of the Treaty on European Union — we deal at Community level only with those things which cannot be achieved at national level. In this context, it should be said quite clearly that the worst enemy of subsidiarity is lack of confidence between the Member States. I sometimes have the feeling that, for some Member States, subsidiarity means: 'go and supervise all my neighbour's affairs, but leave me alone'.

(Applause)

And the principle of subsidiarity has another enemy: the bad faith of those who regard it purely as a means of blocking integration, who invoke it in order to bring policy back under national control, but who fail to apply it when it comes to taking action at Union level. My idea of subsidiarity is different: let us stop harmonizing everything down to the last button, but let us step up cooperation in areas which warrant it. Let us take less action in order to take more effective action. That should be the watchword of us all.

At this point, I should like to mention another aspect of subsidiarity: the dividing line between the individual and the public authorities. Only when giving powers to the public authorities is a means of helping individuals to realize their full potential can it be justified. I should like the Community institutions to be particularly vigilant in this respect.

The second course of action concerns management. Let us be frank: this is an area in which I believe the Commission must make a special effort. Certainly, 80% of Community expenditure is implemented by the governments of the Member States. But this does not relieve us from meeting our responsibilities in respect of the budget. The European Parliament, as well as the Court of Auditors, is constantly reminding the Commission of this fact. My colleagues and I are determined to improve the Commission's budgetary and administrative culture. And I wish to stress here the importance of our constructive relations with the Court of Auditors and this House. When the criticism is justified, we shall take corrective action.

An issue which I know is of concern to a great many European citizens, and to this Parliament in particular, is that of fraud against the Union's financial interests. Let us make the fight against fraud one of our joint priorities at all levels. Everyone must play their part in this respect: firstly, in terms of legislation, the Union's institutions must step up their work on the Commission's proposals of last June; secondly, in terms of management and control, the institutions and the Member States must continually bear in mind the fact that the money we spend belongs to Europe's taxpayers; and, finally, the Member States must take the appropriate punitive action.

Undoubtedly, there is a need to improve the functioning of the Union, to exploit more fully the potential of the current Treaty. Nevertheless, with the prospect of an enlarged Union of more

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than 20 members, that will not suffice. At the Corfu Summit, the European Council established a clear connection between enlargement and the 1996 Intergovernmental Conference. While it is too early to reveal the Commission's stance in this context, I should like to submit to the House a number of preliminary considerations.

The first concerns our methods. It will be essential to ensure that a genuine public debate takes place within the Union, and within each Member State — firstly, and most importantly, by providing for the direct participation of the European Parliament in the negotiations. It is excellent, in this regard, that Mrs Guigou and Mr Brok will be members of the high-level group. And I would add here that, in my view, the assent of the European Parliament should be required for any modification of the Treaty.

(Applause)

Obviously, the public debate will include the national parliaments. At the time of the negotiation of the Maastricht Treaty, this House took the initiative of organizing joint sittings with the representatives of national parliaments. These proved to be extremely useful. Would it not be possible, between now and June 1995, for the President of the European Parliament and the leaders of national parliaments to get together and organize a similar debate on the major issues concerned in the strengthening of our institutions? Clearly, this is an idea whose merit I shall leave it to the House to judge.

Basically, reforms must be undertaken, whether the Union decides on a new enlargement or not. This is provided for in the Maastricht Treaty. It is clear, however, that any such enlargement would itself necessitate reforms, since it would prevent the current system — even if improved — from continuing to operate effectively.

It is in this dual context that the Intergovernmental Conference will be required to examine firstly the Union's main fields of action and, secondly, its institutional framework. I do not believe that action under the first pillar as such should be modified to any significant degree. Henceforth, it should be more a matter of improving the quality of our action than of continuing to call for increased powers and responsibilities. Nevertheless, as provided for in the Maastricht Treaty, a decision will have to be taken on the future of such fields as energy, tourism and civil protection. The area of social policy will undoubtedly also have to be re-examined.

I wish to make one thing quite clear: the Commission will never endorse, on the pretext of enlargement, a retreat in respect of the *acquis communautaire*.

(Applause)

The applicant countries must fully accept the *acquis communautaire* — with the proviso that reasonable periods of transition are allowed for. Starting forthwith, we shall assist them in fulfilling this condition.

I have already stressed the enormous importance that I attach to the development of a genuine and coherent common foreign policy. Likewise, the Maastricht Treaty commits the Member States to moving towards the establishment of a common security policy and, in the long term, a common defence force. Undoubtedly, this will be one of the key issues at the Intergovernmental Conference. How, in practical terms, do we link the Western European Union and the European Union? What relationship should this regional grouping have with NATO? What kind of negotiations with our partners will this action make necessary? How will the WEU be composed? All

these questions, and many others, will have to be carefully considered. In the interests of the whole continent, the system that we build must represent an element of stability and peace within a renewed partnership with the world's major powers.

As far as the third pillar is concerned, I believe that its methods of operation must be subjected to further detailed examination. The fact that the countries of Central and Eastern Europe are also keen to cooperate in the areas of justice and home affairs makes such an examination all the more necessary.

The European Union's actions require an effective institutional framework. And, in this respect, the prospect of further enlargements can only increase the urgency of the need for improvements — improvements which, if they were desirable when the Union had 12 Members, are all the more so now that it has 15.

As far as institutional issues are concerned, I would identify three which, in one way or another, are faced by all the institutions: firstly, the question of composition; secondly, the question of working methods, including the issue of the presidency; and thirdly, the question of the decision-making mechanisms. In all these areas, the Commission will be submitting proposals designed to improve the functioning of the various institutions, while seeking to maintain the necessary balance. These questions deserve to be considered thoroughly. The same is true of other institutional issues, with regard to which I should like to make three obvious comments of a preliminary kind.

Firstly, with each new enlargement, it becomes increasingly necessary for the Union to concentrate its action on the essentials.

Secondly, with each new enlargement, the growing distance between individual citizens and the centre increases the need to strengthen the Union's democratic legitimacy, and therefore the role of the European Parliament. Further progress will have to be made, whether in terms of codecision, budgetary powers or the appointment of the Commission. Why, for example, should the European Parliament not be allowed to elect my successor from a list put forward by the Heads of State or Government?

(Applause)

Thirdly, with each new enlargement, the pressure grows to adopt a multi-speed approach. Should we be evading this debate? I believe not, particularly as such an approach already exists and has enabled the Union to move forward in the past. But let it be quite clear: there can be no question of exclusion, nor of a 'Europe à la carte'. No Member State can be arbitrarily excluded from the vanguard: those who wish, and are able, to accept the additional obligations which this implies cannot be turned away. Similarly, the vanguard cannot be a closed shop: the slower Member States must be allowed to join it as soon as they fulfil the conditions. And finally, the adoption of such an approach must not, under any circumstances, be used as a pretext for calling into question the *acquis communautaire*, or weakening the Community institutions.

In conclusion, Mr President, ladies and gentlemen, I wish to send the House a threefold message: a message of determination, commitment and hope. As you will have gathered, the Commission over which I shall preside will be a determined and open institution: determined to work for the common good and to keep the European Union's institutions strong. And, in our determination, the European Parliament will be our ally. Today, I give a commitment to work with you in complete

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openness, to report to you and to be accountable to you. After all — or rather, above all — that is what democracy is about!

I give a solemn commitment that reasserting our common values and the great objectives which underlie the process of European integration will be made a daily task of the new Commission — above all, when the Intergovernmental Conference begins its work. We must be more combative. We must reject the attacks of those who wish to tackle tomorrow's problems with yesterday's solutions. We must have the courage to combat those who claim to be European, but whose ideas for Europe are confined to calling into question the Community model.

I am an optimist by nature, Mr President, and with the help of the rest of the Commission, the European Parliament and the citizens of the Union — including all those dedicated workers employed in our institutions — I shall provide myself with the means to match my optimism. On the eve of the third millennium, Europe will be stronger, more united and closer to its citizens.

Mr President, ladies and gentlemen, we are now reaching the end of the investiture procedure. Throughout this process, I have done my utmost to meet the wishes of this Parliament. I insisted that the Member States' governments should nominate more women to the Commission. A quarter of the Commissioners-designate are women. Likewise, I insisted on the nomination of political figures, and that the new Commission should be a political body. I accepted, against the advice of my predecessor, moreover, the principle of individual hearings, as called for in the Froment-Meurice report. I also insisted, however, that the principle of the collective responsibility of the Commission should not be undermined, and that no Commissioner-designate should be asked to give commitments that he or she would be unable to honour.

*(Applause)*

To facilitate the organization of the hearings, I honoured my commitment to you, Mr President, to announce the composition of the Commission, and the distribution of portfolios, before 1 November 1994.

And finally, I have done my utmost in this speech to respond as fully as possible to the criticisms expressed during the hearings, and to clear up any misunderstandings which may have arisen. I believe, therefore, that I and my colleagues have cooperated with the European Parliament in an honest and constructive way. It is now up to you, Mr President, ladies and gentlemen, to give your own verdict.

*(Loud applause)*

**President.** — Ladies and gentlemen, we will now begin the debate. I have 42 requests to speak. That means that unless they all keep exactly to their allotted speaking time, we will not be able to call all the speakers by 1 p.m.

**Green (PSE).** — Mr President, I would like to begin by welcoming the statement made this morning by Mr Santer and congratulating him on its comprehensive nature and, indeed, for the fact that he has touched on so many of the issues raised by us in this European Parliament in the last few days.

Tomorrow at noon the European Parliament will decide whether or not to confirm the new European Commission in post. We in this Parliament have gone through an elaborate and complex procedure to examine each and every Commissioner-designate. We must at this point pay tribute to the cooperation we have had from Mr Santer and from each of the nineteen

Commissioners-designate during this process. They have responded almost enthusiastically to the democratic right given to Parliament by the Maastricht Treaty to confirm the Commission and what is clear from all nineteen public hearings is that the great ability and competence of the nominated Commission is not in doubt. In fact, the new European Commission meets many of the earlier demands made by this Parliament. As Mr Santer said, of the 20 members five are women, a significant improvement on the one woman in the outgoing Commission.

*(Applause)*

Of course, Mr President, as you would expect, we will press for an even larger percentage of women in the next Commission...

*(Applause)*

...but, nevertheless, we are pleased at the improved gender balance for the next five years. Also, this Parliament has been adamant that the nomination of a fascist Commissioner from Italy would have led to an automatic rejection of the whole Commission in this House.

*(Applause)*

We believe that our clear stand played a part in ensuring that no such Commissioner was nominated.

That the hearings themselves took place is a testament to Parliament's absolute commitment to openness and freedom of information as the only democratically elected part of the Union structure. I repeat our pleasure in having found that in the nominated Commission we have had firm allies in this process. Incidentally, I am very aware that there is not a single Member State in our Union that has such a process for examining its senior political and administrative figures. Would that we in Britain had the ability to question Ministers of the British Government in this way!

But nobody would have expected the public hearings to conclude with the unanimous endorsement of the new Commission. So, of course the hearings have produced criticisms which we have now placed before the incoming President of the Commission.

My group sets much store by the issues which so evidently reflect the priorities and the aspirations of Europe's people. We demand firmer action on the major priority of job creation across Europe. We insist on the development of the social dimension. We want support for the disadvantaged regions of Europe and we care passionately about the protection of the environment and animal welfare and we are determined to have a Europe which is democratic and open and which prizes freedom of information. Above all, in a week when we remember the liberation of Auschwitz, we want a foreign and security policy which positively keeps the peace in Europe, which rejects the rise of nationalism and the attendant rise of racism, xenophobia and anti-semitism. We want a Europe that is open, honest and well-managed and which puts a stop to fraud and cheating. The members of the Socialist Group measured the responses in the public hearings against that agenda.

But despite everything that you will have read in the newspapers in the last few days, the group leaders of this House when they met Mr Santer last week did not demand that this or that Commissioner be stripped of this or that responsibility. We understand the complexity and the difficulty of putting together a carefully crafted compromise on the distribution of portfolios. So we did not lay down a list of explicit demands to