3-001

SITTING OF WEDNESDAY, 5 SEPTEMBER 2001

3-002

IN THE CHAIR: MR DAVID MARTIN
Vice-President

(The sitting was opened at 9 a.m.)

3-003

Approval of the Minutes of the previous sitting

3-004
President. – The Minutes of the previous sitting have been distributed.

Are there any comments?

3-005
Harbour (PPE-DE). – Mr President, this concerns a matter arising from the Minutes in connection with the distribution of the report promised by Mr Kinnock in response to my oral question on Monday, which was raised in the Chamber yesterday afternoon. I should like to confirm that this report is available. I received it by e-mail from Mr Kinnock's office, but as far as I can tell it has not yet been officially distributed to Members. I know that Mr Kinnock was very keen that we should all have it as soon as possible so can I ask you once again to make sure that this is distributed.

On the same topic could I ask you, Mr President, on behalf of all the Members of this Parliament, if we could have a similar report to the one prepared by the Commission on the progress of the human resource reforms as regards the work that is going on with the staff of Parliament. We are currently in a position where we know less about the progress of the personnel reforms in this House than we do in the Commission. Could I ask you to discuss with your colleagues and arrange for a statement and a report to be made to this House as soon as possible about the progress of these crucial reforms which were solidly supported by the House when it approved my report last year?

3-006
President. – On the first part, I was here when the President gave you the assurance that Mr Kinnock's report would be distributed. I will ask the services to make sure that is done.

On the second part, the Bureau of Parliament is meeting tonight. Unfortunately I will not be there but I will ask for this to be raised at the Bureau this evening.

(The Minutes were approved)

3-007

Echelon"

3-008
President. – The next item is the report (A5-0264/2001) by Gerhard Schmid, on behalf of the Temporary Committee on the ECHELON Interception System, on the existence of a global system for the interception of private and commercial communications (ECHELON interception system) (2001/2098(INI)).

3-009
Schmid, Gerhard (PSE), *rapporteur. – (DE)* Mr President, ladies and gentlemen, more than a year ago the European Parliament set up a special committee to ascertain whether there was in fact a global interception system for which the US National Security Agency was ultimately responsible and which was able to intercept any communication by telephone, fax or e-mail in Europe. This system is allegedly operated by a group of states which includes one of the Member States of the European Union, namely the United Kingdom. Now that the Cold War is over, the main function of the system appears to be industrial espionage. The system, it is alleged, bears the code name *Echelon*.

This, Mr President, was a difficult investigative mission, because the European Parliament has no access at all under any circumstances to the files of the intelligence services of the EU Member States, let alone access to details of the activities of American agencies. However, after a year of painstaking investigation, we are able to communicate the following to the House without any lingering shadow of doubt: first of all, there is no intelligence system operated by the secret services of any one state by means of which any communication in Europe can be intercepted. This allegation must be consigned to the domain of creative journalism! The assertion is not made any more credible by the fact that it is repeated, and regrettably so, in a study commissioned by the European Parliament, a fact that lends it a certain cachet of respectability.

What we are looking at here is not what we were expected to find. Telecommunications obey the laws of physics, and without access to the media of communication it is impossible to intercept the messages they carry. The secret services do not possess magic powers with which they can alter the laws of physics! The second point we are able to make, however, is that there is indeed an interception system, and these are its characteristics: it operates globally and is run by an intelligence alliance comprising the parties to the UKUSA Agreement, namely the United States, the United Kingdom, Canada, Australia and New Zealand. There is nothing coincidental about this combination of states, which has its roots in the Second World War. By and large, it only has access to intercontinental communications which are transmitted with the aid of communications satellites or undersea cables serving the UKUSA countries.

Communications within Europe, therefore, are scarcely affected, but communications with African, Arabic and Latin American countries most certainly are. We do not know exactly how much local radio communication can be intercepted by embassies, but it is evident that this does not represent the bulk of intelligence operations. By way of contrast to police surveillance operations, which always target an individual or a clearly defined group of people, the system concerning us here intercepts every communication to which it has access and feeds it into a computer search engine. On the basis of a catalogue of search terms, the search engine selects those communications that are likely to be of interest to the intelligence services. In other words, the system works like a vacuum cleaner and the intelligence services operate the filter. In technical terms this is known as strategic communications monitoring.

The search engine can identify telephone numbers, the voices of prime targets and the content of e-mails and typed faxes. Given the present state of the art, these search engines will not be able to interpret handwritten faxes and spoken messages in the foreseeable future, which means that these forms of communication cannot be automatically processed by the intelligence services. In addition, we have evidence that the system does indeed have the code name *Echelon*. Its name, however, is irrelevant. It might just as well be called Rumpelstiltskin; the important thing for us is what it does.

These are the findings, and let me add that we are not simply hypothesising. We can back up these statements with a strong chain of evidence that could stand up in a court of law. Those who wish to know precise details will have to read the report for themselves. Suffice to say that, if we had made any false allegations in this report, you can safely assume that the intelligence services of the countries in question would have been only too delighted to take us apart in public! This they did not do, which speaks volumes.

How do we assess these findings? One of our assessment criteria must be to ask what our own services actually do. That is not the sole criterion, but it must be taken into consideration if we intend to hold an honest debate on this subject. Most of the intelligence services in the EU Member States engage in strategic communications monitoring.

Only Austria, Belgium, Greece, Ireland, Luxembourg and Portugal do not use such technology.

Secondly, it goes without saying that the purpose for which strategic monitoring is used will also affect our assessment. If it is targeted at internationally organised crime, drug trafficking, trafficking in human beings, the arms trade, terrorism, proliferation or sanctions busting, or if it is used to protect national security, there can be no questioning the legitimacy of its purpose as such. But if it is being used to spy on foreign companies in order to tip the competitive balance in favour of domestic industries, that is quite a different matter.

Thirdly, the end does not justify the means. In short, the end is not everything, for each individual case of eavesdropping is an invasion of privacy. It is not a problem of quantity either. Human rights are individual rights; they are not a matter of statistics. Such an invasion of privacy is only permissible on certain conditions. The case law of the European Court of Human Rights is crystal clear in this respect. Briefly, the conditions are as follows: there must be a legal basis for such an operation – it cannot be arbitrary; a value judgment must be made, the breach of privacy being weighed against the morality of its purpose; the operation must be foreseeable, which means that the general public must know that such a system exists, and recourse to interception must only be permitted if there is no alternative. It is, in other words, an *ultima ratio.*

There are Members of this House who agree that it is acceptable for the police to intercept communications in pursuance of a court order for the purpose of criminal prosecution. But in the case of the intelligence services, they call it an infringement of human rights. I fully understand anyone expressing political opposition to this type of action by the secret services. I can see the logic of that. It is not my position, but I can follow their reasoning. But anyone who says it is illegal is disregarding the rulings of our own European Court of Human Rights.

Industrial espionage is certainly not a legitimate reason for intercepting communications. All intelligence services do, of course, deal with economic issues too, examining developments in financial and commodity markets, for example. To that extent most of the services engage in espionage in the economic domain. But we are not criticising them for that. The problem arises when this espionage goes beyond the clarification of general security issues and the intelligence services pass on details to industrialists in their own country in order to give their companies a competitive advantage.

Such behaviour between EU Member States, furthermore, would be incompatible with Community law, because it constitutes a type of prohibited state aid. On the international stage it is more than just an unfriendly act, and between allies it is nothing short of a scandal. Incidentally, intercepting communications is not the preferred method of industrial espionage, which is generally conducted by conventional means. But there are individual cases in which the instrument of interception can be used to great effect.

The United States, as you know, has come in for the heaviest criticism. The United States has always denied that intelligence is passed on directly to US companies. It has admitted, however, that it intercepts detailed communications concerning major contracts that are open to international tender. The argument used to justify these measures is that European companies would offer bribes and that there is a need for a defence against this.

This position, to put it very politely and diplomatically, must be scrutinised. First of all, we know that US corporations engage in bribery too. In the latest Bribe Payers Index published by Transparency International, the United States occupies a mid-table position among the world's major exporting countries.

Secondly, this type of thing is now prohibited within the OECD by a Convention, which the Member States of the European Union have transposed into national law. For the United States, despite this, to remain entrenched in the cowboy mentality which holds that might is right would be a denial of the principle that such problems can be solved by formal international agreements.

(Applause)

Thirdly, if it is true that the American intelligence agencies do not engage in detailed industrial espionage, why is there no law in the United States of America that proscribes such activity by intelligence agencies? Why ever not?

The real political problem, basically, is that, in the European public debate, the United States is considered capable of such measures. The political problem highlighted by this whole issue is the prevalence of profound mistrust. This mistrust has to be weeded out.

We have developed a host of proposals, some of which relate to the monitoring of the intelligence services here in Europe, to a code of conduct for the EU Member States and the like. Ultimately, however, it all boils down to one simple main problem: the protection of privacy is guaranteed by the national legal systems, but communications are becoming increasingly international. There is no world government to protect them. This is one of the many problems posed by globalisation. We must reach agreements and enshrine them in international law so that privacy is protected worldwide.

Apart from this, a second problem remains, a problem to which I referred at the start of the report with the Latin tag *Sed quis custodiet ipsos custodes*, meaning 'But who will watch these watchmen?' That is the perennial problem.

(Applause)

3-010

Neyts-Uyttebroeck, *Council*. – *(NL)* Mr President, Commissioner, ladies and gentlemen, the presidency has read the European Parliament's motion for a resolution on the ECHELON interception system with great interest and will be following the debate on the subject intently. I am delighted with Parliament's thorough investigation into this matter. This initiative is in line with the traditional democratic supervisory role of legislative meetings. It reflects the concerns of many EU citizens with regard to that system.

Moreover, I should like to draw attention to the fact that, during your activities in this connection, the Council presidency has, at all times, shown its willingness to cooperate loyally with Parliament. The Portuguese, French and Swedish Presidencies have all accepted Parliament's invitation to clarify their position in this matter, both at plenary meetings and at meetings of your temporary committee.

It is therefore in that capacity that I am here today attending the discussion of the report and of the resolution of the temporary committee and that I wish to express my sympathy with Parliament's concern in this matter. As you will know, the word 'sympathy' in Greek – to refer to one of the old languages – means 'empathy'.

The fact that the parliamentary bodies of my own country have also devoted attention to the interception of communications, as evidenced in two Belgian parliamentary reports which were sent to Mr Schmid and which are mentioned in his report, reinforces my belief that the political issue involved is complex, yet important.

I hope that you will nevertheless understand that I, as President of the Council, must limit my reaction to those aspects which are related to the Council or the Union's institutions in general. It is not my role to react on behalf of or in respect of individual Member States.

3-011
(FR) The basic principles that must govern all communications interception systems are well known. Article 8 of the European Convention on Human Rights – an article that the EU must respect under the terms of Article 6 of the Treaty establishing the European Union – stipulates that everyone has a right to the respect for his privacy. Under the same Article, and also according to the Court of Justice's established case law, there shall be no interference by a public authority with the exercise of this right except such as is in accordance with the law and which is necessary to achieve precisely stated aims and where this respects the principle of proportionality.

Basing its work on these principles, the Justice and Home Affairs Council met on 29 and 30 May 2000 and reiterated the Council's commitment, as regards the Echelon network, to the respect of fundamental rights and people's freedoms. The Council also stressed that although a telecommunications interception system may be an important tool to combat crime and to defend national security, under no circumstances, however, should this system be used to gain commercial advantage. These principles were also included in the European Convention on Mutual Assistance in Criminal Matters of 29 May 2000 between the Member States of the European Union. Article 20 of this Convention thus specifies the conditions in which telecommunications interception may be permitted within the framework of cooperation between Member States in criminal matters.

3-012
(FR) The respect for one's private life is now also one of the rights enshrined in the Charter of Fundamental Rights adopted in Nice at the end of last year. Article 7 of the Charter lays down that any person has a right to the respect for his privacy and family life, the respect for his home and his communications. The Council is obviously willing to make full use of these provisions.

You will see that Regulation (EC) No 45/2001 of the European Parliament and of the Council of 18 December 2000, on the protection of individuals with regard to the processing of personal data by Community institutions and bodies, is evidence that the Community institutions already share the determination to protect people against the abuse of their personal data.

3-013
(NL) The right to respect for private and family life and data protection are closely related. Moreover, we know that thanks to continuous technological advancements, the efficient protection of personal data cannot remain restricted to the Union's borders but must be extended worldwide. That is why the Union is trying to promote a dialogue with third countries, as well as a transatlantic dialogue with the United States and Canada. An initial meeting of experts on legal systems for data protection has already taken place last May in Brussels during the Swedish Presidency.

During a Legal and Home Affairs meeting involving top American officials, which took place on 17 July of this year, both the presidency and the United States recognised the need for reaching an agreement in this area. A second meeting was to take place under the Belgian Presidency, this time at the invitation of the US, to lay the groundwork for future agreements.

With this report by Mr Schmid drawn up on behalf of the Temporary ECHELON Committee, Parliament has more than met what is expected within the Union in terms of quality. Therefore, Parliament and the Schmid report are fundamental to greater awareness of this issue. The Council and the presidency, each within their own remit, will make every effort to guarantee fully respect for private and family life and data protection, both within the Union and elsewhere.

After all, electronic communication is only set to increase in future. Communications are, by definition, private in nature, and their confidentiality must be guaranteed. It would, therefore, be totally unacceptable, on grounds of principle, for communications to be tapped without a very legitimate reason indeed and without those tapping the communications being subjected to any kind of democratic control.

The Belgian Presidency sets great store by the security of networks and information. A policy which is predominantly based on Commission communication COM (2001) 298 which, on the one hand, draws attention to the need to fight cyber crime and, on the other, indicates the need to protect data in the field of telecommunication.

Today's communication offers fresh food for thought, and the Belgian Presidency intends to continue on this path. Accordingly, we wish, first of all, to make progress in the development of an alarm and information system which aims to combat the risks inherent to the use of IT. More specifically, the presidency hopes that the Telecommunications Council of 15 October next will result in a clear, common objective. That should enable the Telecommunications Council of December to lay down a detailed action plan and timeframe in terms of *e*-security. Moreover, we intend to examine further the progress made by the Member States in the field of systems security within the framework of the implementation of the *e*-Europe 2002 action plan. Different initiatives have been launched in the Member States in order to encourage citizens and businesses to make use of safe IT material. In addition, the sixth Framework Programme concerning research, which is currently being discussed in the Council, should also emphasise all aspects related to security of networks and information traffic.

3-014

(FR) The revision of telecommunications legislation also contains some provisions updating European regulations, particularly on the protection of personal data and privacy.

Parliament will soon issue an opinion, at first reading, on this important text. The text includes, amongst others, general provisions on the confidentiality of communications, and on the general principle of deleting traffic and location data relating to these communications.

The general principle is, of course, qualified by the option given to the authorities responsible for public safety and for combating crime to request access to the information on a case-by-case basis. As you know, the debate is still open on the length of time such information can be stored.

To sum up, I would like to return briefly to the issue of intelligence gathering. In the military capabilities commitment declaration, annexed to the Nice European Council conclusions, the Member States acknowledged that serious effort would be needed in the area of intelligence so that, in future, the European Union has more strategic intelligence at its disposal.

The European Parliament motion for a resolution highlights the need for democratic monitoring of intelligence operations that might be established within the European Union. This is a general principle, which we can only support. More specifically, the presidency currently believes that, should this type of intelligence capability be established within the EU, we would have to investigate the procedures that would need to be implemented in order to ensure democratic monitoring of these activities. These procedures would naturally have to take into account the particular nature of the intelligence field which, in order to function effectively, requires that information gathered remains confidential.

Mr President, to sum up and in conclusion, I would like to congratulate Mr Watson once again for his excellent work and I hope that you have an interesting debate. I shall be staying in the House to listen to what you have to say.

3-015
von Boetticher (PPE-DE). – *(DE)* Mr President, ladies and gentlemen, recently, when I had to explain the function of our *Echelon* Committee, I used the following example: I said, 'Imagine you are a detective sergeant. Various people come to you and report a bombing, carried out by five terrorists. At the scene of the crime indicated there are two possible victims, but they say nothing. The five suspects are also silent. The explosive device is not immediately apparent and no details of the incident are known. In short, it is a rather difficult case.

This is tantamount to what happened when journalists began to tell us that there was a global interception system called *Echelon* which was operated by the United States, the United Kingdom, Canada, Australia and New Zealand and which could intercept and analyse phone, fax and e-mail communications worldwide. Individuals, businesses and institutions, they said, were subjected to systematic surveillance. So what facts have we established after a year of investigation? As the detective sergeant, I would say that the five suspects were indeed at the scene of the crime, but the weapon was a precision rifle rather than a bomb. Each of the suspects was capable of firing the weapon, but all the evidence suggests that only one of them actually acted in a criminal manner. The victims have given us clues to help us in our investigations but are not prepared to testify in court, and so we unfortunately have insufficient evidence to secure a conviction. It will be essential, however, to keep the suspects under observation and to take further precautions.'

What this means is that the five aforementioned states do indeed cooperate within this espionage system. Its name is irrelevant, but let us call it *Echelon* for the sake of convenience. The system, however, can only intercept civilian communications that are routed via Intelsat satellites. And these satellites only carry a small percentage of global telecommunications traffic and an even smaller percentage of private telephone calls. Moreover, these activities by intelligence services were tolerated by the international community on condition that they were essential to the protection of national security interests. There are now indications, however, that the United States is using some of these intercepted data for purposes other than the preservation of national security. The US agencies have admitted, for example, that they eavesdrop on European companies bidding for major foreign contracts, allegedly because these companies engage in bribery. The agencies' intelligence reports are then forwarded to US embassies so that the ambassador to the awarding country can influence the host government by making it aware of the bribery allegations. The US Department of Commerce also has an Advocacy Center, which maintains, through the US embassies, a worldwide network devoted solely to helping US corporations land major contracts. There are clear grounds for suspecting the United States of illegal industrial espionage. Regrettably, the companies that have been victims of these activities remain silent for fear of tarnishing their image.

At this point I should like to thank the rapporteur and his team for resisting the attempts of the Greens, as well as those from the Left of this chamber, to have him write a cloak-and-dagger thriller. His report is responsible and objective, presents the conclusive and presumptive evidence, distinguishing clearly between the two, and does not prejudge the issue. Some may feel that his conclusions do not go far enough, but they do exhaust the available legal options. Protection against illegal acts committed by non-European intelligence services can only be achieved through global instruments. As

far as our own area of responsibility is concerned, the main priority for us is to close the confidentiality gaps in the Commission. Unlike the Council or the Central Bank, the Commission persists with data protection and confidentiality mechanisms that belong to the Middle Ages. The dangers posed by non-European countries in this domain have obviously been entirely underestimated. We therefore call on the competent committee to initiate its own report on this issue. We also call on our British friends, since they are fellow members of the European Union, to establish effective and legitimate control of American espionage conducted against European targets from British territory; otherwise they are in breach of European data protection law.

Let me thank the rapporteur once again for his cooperation with us. I am sure that this report will carry the support of an overwhelming majority of the Members of this House.

(Applause)

3-016

Wiersma (PSE). – *(NL)* Mr President, the Temporary Committee on ECHELON and other large-scale tapping systems was launched over a year ago. There was then serious doubt as to whether this Committee would be able to complete its mandate that was issued by Parliament within the time period given. My colleague, Mr Gerhard Schmid, presented the report with the results of the work of this temporary committee a moment ago. On behalf of my group, I should like to express my great appreciation for the work that the rapporteur, but also the President of the Committee, Mr Coelho, have done over the past year. The report contains proof for the first time that ECHELON exists, a system based on the cooperation of five countries in the worldwide tapping and interception of international telephone and message traffic. In addition, it is indicated that other countries too, including most EU Member States, use systems for tapping international telecommunications traffic.

At the same time, the report, however, explodes the myth that, via ECHELON and similar systems, every phone call would be tapped and every fax message or e-mail read. It is technically impossible to do this, and most countries involved are democracies which impose clear restrictions on the activities of the secret services, at least with regard to their own citizens. Mainly based on information which was published in the course of the investigation of the ECHELON Committee by the Dutch and German governments, we know that systems for tapping international telecommunication are often used as an aid in the fight against international terrorism, trafficking in human beings, the drugs trade, the illegal arms trade, and to enforce internationally established embargoes. And nobody objects to that, at least, provided that this is done under sound democratic and political control whilst guaranteeing that the international and national rules protecting the privacy of citizens are upheld.

The unnecessary secrecy, the surreptitious behaviour of the secret services and the lack of openness of many governments prevent systems for tapping international telecommunications from being deployed in a more transparent manner. Clear and enforceable rules to protect the privacy of all European citizens in all EU countries must form an inherent part of the constitutional rights as laid down in the European Charter. With this, it must be ensured that the strict rules which currently apply in most countries for tapping a country's own citizens will, in the near future, apply to all EU citizens.

Effective democratic and political supervision of activities carried out by secret services, and hence tapping international telephone traffic, form an essential part of every state's right to defend the security of its citizens or its democratic fabric against external attacks.

A change in mentality is required. It is inevitable that some aspects of the work of the intelligence service should remain confidential, but there is also a great deal that could most certainly be brought into the open in a democratic society. Only countries which, in respect of its citizens, deal with their intelligence services in an open and honest way will also be able to provide the necessary cooperation at European level and be able to help set up a European intelligence force in the framework of an effective common foreign and security policy.

With this, the traditional distrust which intelligence services harbour in respect of outsiders and the equally traditional priority given by countries to their own national interests must be turned into a kind of cooperation in which the treaty concluded between the UK and the US, underlying ECHELON, completely fades into the background. Not only because it was agreed during the European Summit in Helsinki that a European intelligence force will be created as part of a European intervention force, but especially because the fight against international terrorism and the trafficking in human beings, for example, is a joint European task.

However, I should like to add one more observation in this connection. Further European cooperation in the gathering of intelligence, which is also significant to the EU in terms of its position within the confederate framework of NATO, will force the British government to make a fundamental choice: either it continues to favour transatlantic cooperation or it becomes fully involved in cooperation at European level. A bit of both would not only lack credibility, but is also practically impossible.

During the investigation by the ECHELON Committee, we have not obtained any evidence that citizens' privacy is being intentionally violated or that systems designed for large-scale tapping operations involving international telecommunications traffic are deliberately being used for large-scale and direct industrial espionage. Furthermore, specific enquiries made to large European companies elicited no reaction. However, based on remarks made by America, it has transpired that intelligence received accidentally is, in a number of cases, most definitely used. If one casts the herring nets, but happens to catch a salmon, then that salmon is not always thrown back into the sea but sometimes ends up on the table. Whoever has confidential information at their disposal does well to protect that confidential information. In this respect, the European Union and Member States are required to cooperate by giving advice, by developing user-friendly cryptographic hardware and software and especially by raising public awareness.

I hope that the report by the ECHELON Committee in particular has made a major contribution to the aforesaid.

3-017
Flesch (ELDR). – *(FR)* Mr President, ladies and gentlemen, on behalf of my group, I would like to congratulate Gerhard Schmid on his excellent report. The reports reaches the conclusion that a global communications interception system exists within the framework of the UKUSA Agreement, that this system is definitely known as Echelon, that it is used to intercept private business, and not military, communications, that the system's technical capabilities are probably not nearly as extensive as some have assumed, but that prevention to some extent is necessary.

In spite of what some minority voices say, Mr Schmid was not more preoccupied with industrial espionage than with individual monitoring. He is proposing no less than eight specific measures to enhance the protection of citizens' rights within the framework of various international treaties, and he calls upon the Member States and the Council to adopt at least seven specific national legislative measures to protect citizens. Of course, some specific measures are proposed to assist businesses, but these are more vague and their scope is less extensive than the measures on individual monitoring.

As a citizen of a country whose intelligence service is certainly very small-scale compared to those of its larger neighbours or allies, I still believe that it is misleading and futile to suggest abolishing the secret services. They exist and they will continue to exist. We should, therefore, draw political conclusions and seek solutions at this level – we should monitor the activities of these services, subject them to legal and parliamentary scrutiny, adopt uniform rules to protect citizens at the highest national level and apply this throughout the European Union. The proposals in paragraphs 16 and 17 of the resolution must also be seen from this perspective. With the strengthening of European security and defence policy and the EU's increasing involvement in crisis prevention and management, collaboration amongst intelligence services is growing and the EU will eventually have to have an autonomous European intelligence capability. This can only be achieved if there is a system for democratic monitoring.

With regard to Echelon, the resolution specifically calls upon Germany and the United Kingdom to make authorisation of communications interception operations by US intelligence services on their territory conditional on their compliance with the European Convention on Human Rights and judgments of the European Court of Human Rights.

Far from having wanted to create repeated diversions, Mr Schmid has dotted the i's and crossed the t's, he has more than fulfilled the mandate bestowed upon him by the Temporary Committee on Echelon and he has provided Parliament with a tool to enable us to continue the work he has done in the interests of protecting citizens.

(Applause)

3-018
McKenna (Verts/ALE). – Mr President, we welcome the fact that the report recognises and accepts that Echelon exists. This is something that the Green Group stated a long time ago in this Parliament and we have now been vindicated. However, the report fails to draw any political conclusions. It is also extremely hypocritical in that it criticises the Echelon interception system, while at the same time we are planning to establish a European secret service. In other words, it is not that there is a problem with this system as such, it is just that the EU wants to be able to do the same and have its own system. The report naively gives the impression that if you have some sort of democratic control, all will be okay.

It is a well known fact that there is no effective public control mechanism of secret services and their undemocratic activities anywhere in the world. By their very nature, secret services cannot be controlled and therefore we, as Members of this Parliament, who claim to be concerned about human rights and basic civil liberties, should be questioning their very existence. But, on the contrary, the report serves to legitimise a European secret service which will inevitably infringe fundamental rights in the same way as the Echelon system.

The temporary committee and the report focus mainly on the threat to European industrial competition and the threat posed by industrial espionage. But this is not the vital and fundamental issue. The real issue at stake, which is totally lost in this report, is that nobody can communicate in confidence any more. This is the real threat to us all. Political spying is a greater threat than economic spying. Recently there have been reports in British newspapers which point out that European leaders have ordered police and intelligence agencies to coordinate their efforts to identify and track anti-capitalist demonstrators.

This will give a green light to secret services to put under surveillance people whose activities are entirely democratic and legal. Whole political and social scenes will be criminalised. Very private information about people will be accessible to police and secret services without those people having any say or control.

The report goes to great lengths to push these kinds of dangers under the carpet. It also ignores the plans that are forging ahead on the Enfopol interception system in the EU. We, as Members of the European Parliament, should be demanding that people's freedoms and the right to privacy, as enshrined in Article 8 of the European Convention and Article 6 of the EU Treaty, are protected and that people are not forced to live under permanent control where the possibility exists that every communication they make will be accessible to unknown forces.

Finally, the report lets the UK off the hook. It should have requested at the very least that the UK dissociate itself from the management of the Echelon system and it should also have asked Germany to close down the interception base which is located on its territory. These Member States, which are collaborating, were let off the hook totally.

3-019
Di Lello Finuoli (GUE/NGL). – *(IT)* Mr President, Echelon is an interception system which does not differentiate between communications, data and documents. It does exist and represents a considerable step forwards. From now on, the Union's institutions, particularly the representatives of the Council and the Commission, will no longer be able to say that information reported in the media is inaccurate. There is, however, inconsistency between what has been ascertained and the conclusions of the report, for the system flagrantly infringes the fundamental right to privacy guaranteed by Article 8 of the European Convention on Human Rights and Article 6 of the Treaty on European Union.

In fact, because of its technical capabilities, the system nullifies the relationship of proportionality which, precisely within the meaning of Article 8 of the European Convention on Human Rights, has to exist between interference in people's private lives and the benefits of interception for protection purposes. This is all the more serious in that interception is currently carried out by means of these technical capabilities by a third country on EU territory and to the detriment of the citizens of the countries of the Union, without the possibility of any sort of legal, administrative or parliamentary control.

A further problem is that one of the countries managing the Echelon system is the United Kingdom, a Member of the European Union, while other Member States such as Germany have made their territory available for the siting of antennae, listening posts and other equipment. Quite simply, the group of English-speaking countries managing Echelon is doing what it likes with the privacy of European citizens, as is explicitly noted in point 26 of the conclusion, cited by Mrs Flesch moreover, which means that Article 8 of the European Convention on Human Rights is being infringed. However, rather than trusting the United Kingdom not to abuse the information, we should at least have recorded its infringement of this article and noted the fact that its participation in the Echelon system is incompatible with its responsibilities under the European Treaties.

Genuine safeguarding of fundamental rights in the USA is essential for the credibility and democratic legitimacy of that country. However, we have, yet again, chosen to waste an opportunity, at least for us, to uphold a democratic principle. For others, on the other hand, at a historic moment when great, dark clouds are gathering over the right to dissent in the EU and at world level – as we have learnt from Genoa – it would be unthinkable to abolish or at least attempt to modify and reduce the capabilities of an indiscriminate listening system, one of the most useful systems for social monitoring and, where necessary, crime prevention.

Mr President, this report and its failure to draw the appropriate conclusions reduce the fundamental right to privacy, so solemnly enshrined in our Treaties and in the Charter of Fundamental Rights, to a right which only exists on paper, or rather to a right which, tragically, is worth no more than the paper it is written on.

3-020
Marchiani (UEN). – *(FR)* Mr President, ladies and gentlemen, on behalf of the Union for Europe of the Nations Group, I would like to congratulate Mr Schmid on his competent and skilful work, and also to praise Mr Coelho, who conducted the debates and organised this work in a very courteous manner. We cannot, however, accept the political conclusion of the report, and we will therefore vote against it, and I call upon all my fellow Members to do the same.

As previous speakers have mentioned, the report confirmed the existence of a US espionage system, operated by the Americans in collusion with two Member States, in breach of Article 6 of the Treaty on European Union and of the most basic rules on respect for one's private life, a system which involves intensive industrial espionage to the benefit of American companies.

The report has shown that the European firms Siemens, Dassault, Phillips, Thomson and Airbus were the targets of espionage, and this has consequently had a serious effect on employment in Europe, on our commercial stability and on Europe's defence industries.

Most of the Members in this House from the United Kingdom have put solidarity with the US before solidarity with Europe. This is something we regret, but the report does not answer two fundamental questions. The first is, although it has been established that at least one country, the United Kingdom, has been involved in espionage activity against Europe, in breach of the Treaty on European Union, what sanctions must we take? This is the first question, which remains unanswered. The second question is that the Committee's work has demonstrated perfectly well that, as long as we are within NATO, and as long as we are tied to using NATO's technical and logistical resources, an independent European and common security policy will not be possible. This is something we deplore. The conclusion of the report is quite simply disquieting.

3-021
Turco (TDI). – *(IT)* Mr President, as a European citizen, even more than as a Member of Parliament, I would like to quietly express my indignation at the way the committee's work was carried out. In its work, the committee systematically violated the Rules of Procedure, failing to comply with the obligation for transparency in Parliament's activities and infringing the right of access to public documents.

Without wishing to belittle the work of committee chairman, Mr Coelho, or the rapporteur, Mr Schmid, in any way, it was necessary to organise the work in this way not in the interests of European security – which is an abstract concept in this context – but in order to conceal the responsibility of the Member States of the Union. The report states quite clearly that Echelon does exist, that it systematically spies on citizens and companies of the Member States of the Union on a huge scale and that the United Kingdom is part of the system, but it does not condemn this fact openly because systematic and generalised interceptions, filtered using search engines are already being carried out by Germany, while Holland, which clearly has the necessary technology, is in the process of producing legislation which will allow it to carry out interceptions as well.

We can see from the report that Echelon is a prime example of a system which does not recognise citizens' right to privacy and subordinates privacy to national security, which is primarily endangered by the inability of politicians to foresee, prevent and deal with threats.

In the face of all this, the practical, immediate solution that emerges from the report is to invite companies and citizens to encrypt documents, as if the indissoluble link between cryptographic, code breaking and technical interception systems were not well known.

Mr President, the only political response which it is possible to give today is to be found in my minority opinion. Democratic scrutiny is essential.

3-022
Belder (EDD). – *(NL)* Mr President, the Temporary Committee on ECHELON has resulted in a thorough investigation which is being backed virtually across the political spectrum, at least where its analysis is concerned.

A sensitive issue, however, is the desire for more European cooperation in intelligence activities. It would have sufficed to state that cooperation in defence and security affairs gives the Member States a joint responsibility to protect privacy. The report cannot address all political considerations. Therefore, it would have been better not to include in the report any references to the desirability for closer cooperation. To date, moderate use has been made of the current capacity to exchange information. The protection of privacy is already problematic and the discrepancies between the Member States are considerable. The consistent exchange of information is therefore not very likely in the near future.

The key reason for setting up the temporary committee was the fear of industrial espionage. There is no reason to doubt that military and security targets are the primary concern of the intelligence services. As might be expected with secret service activities, proof of actual industrial espionage by the US is absent. Neither do the findings substantiate the American accusation of European corruption. Restricted supervisory scope illustrates the importance of effective access to encryption.

Although confidentiality typifies the very nature of the activities of intelligence services, more supervision is required. For example, Member States must monitor compliance with the mandate of the intelligence services, hence my amendment to protect communication against interception where supervision is lacking. By directing efforts to that aspect of interceptions, we can try to prevent their inappropriate use. This is one of the obligations of the Member States, pursuant to the European Convention on Human Rights and does not only apply in respect of their own citizens. Similarly, Member States may not allow their intelligence services abroad to act in contravention of privacy. Similar arrangements can also be sought in a larger context, not least with the US.

3-023
Coelho (PPE-DE). – *(PT)* Mr President, ladies and gentlemen, I wish to make five brief observations. The first is to thank all of those who worked so hard to achieve this final outcome: the specialists and technical experts whom we invited and those who wrote and e-mailed us with their studies and opinions, the coordinators of the political groups and the Members

of the European Parliament, the staff of our committee, who provided high quality support for our work and the rapporteur, Gerhard Schmid, who has produced an outstanding report and provided evidence once again of his great qualities as a human being and as a politician. It was an easy task to chair this committee with this kind of rapporteur.

Secondly, Echelon exists, whether under this name or any other. The European Parliament should be in no doubt about this.

Thirdly, Echelon runs a risk, a serious risk of its network being abused. This is a commercial risk, which compromises the concept of fair trade, but also presents a risk for civil liberties. The same Union that proclaimed the Charter of Fundamental Rights and which I hope will make it binding cannot be negligent in this matter.

Fourthly, we must improve the relationship between the European Union and the United States. We must be more effective. In our mission to the United States, we were well received by Congress but met with the hostility of the Administration. The report contains various important recommendations. Europe and the United States must cooperate fairly – and I mean fairly – for the sake of the common values that they most definitely share.

Lastly, 44 recommendations have been tabled. Giving the lie to those who predicted that the committee would not produce anything tangible, we are making 44 recommendations to the House. I must emphasise the need to strengthen the European Convention on Human Rights with regard to protecting privacy in the information society, the need for Parliamentary and judicial control over the activity of the secret services, the need to extend defence practices such as the use of cryptography and electronic signatures, and the need for the European Institutions themselves to set an example by using these technologies. Lastly, the request is made to the Union's Member States to ensure in the future that the use of their countries by information gathering services, whether their own or of third countries, respects the European Convention on Human Rights.

3-024

Lund (PSE). – *(DA)* Mr President, first of all, a big thank-you is due to Mr Schmid for an outstanding piece of work. I think there are two good reasons for highlighting this work. For one thing, it has been a mammoth task, but I also think that Mr Schmid can justifiably be commended specifically for not having succumbed to what might be referred to as sensationalism. It would have been tempting to do so on this particular issue, but he confined himself to the facts and to what is actually the case.

We have, of course, managed to ascertain that ECHELON exists, and this naturally highlights the dilemma arising, on the one hand, from the fact that countries have a legitimate interest in using interception as one means of protecting themselves and their citizens against attacks and terrorism and, on the other, from the fact that the same citizens, as well as companies, have a need for protection against the misuse of precisely this type of surveillance. Moreover, I specifically think that Mr Schmid's report, which we must adopt today, is forward-looking and contains sound proposals for initiatives that might be taken. I can only highlight a few of these: first and foremost, that the Member States should prepare a code of conduct to ensure the protection of citizens and companies throughout Europe, as required by the Charter of Fundamental Rights.

I also think it right to point out that there is a need to reach an understanding, and arrange for an agreement to be prepared, between the EU and the United States so that there might be mutual respect for the protection of citizens and companies. We have a need for international rules in this area that are as tough as is humanly possible. The need for legal and parliamentary supervision of the intelligence services in the Member States is also emphasised. Finally, I think that the fourth important point is that both the EU and the Member States have an obligation to ensure that people are thoroughly informed about the risks of interception and about the ways in which they, as well as companies, might best protect themselves against misuse of the system. I want to say that, with this report, the Member States can no longer put their heads in the sand where this issue is concerned. They can no longer say that it is just something they have read about in the newspapers. There is now a need for countries to take responsibility for protecting their citizens and companies against violations.

3-025

Plooij-van Gorsel (ELDR). – *(NL)* Mr President, ladies and gentlemen, Madam President-in-Office of the Council, Commissioner, ECHELON exists, as has already been stated this morning by different speakers. But do you realise that it only managed to surface thanks to the tenacity of this Parliament? For when I questioned the Council and Commission about this in 1997, my questions were not at all taken seriously. This situation is now very different. The Dutch government has issued a report in which a reasonable case is made for the existence of ECHELON and the Council has also said that it supports our findings.

In the United States too, it has been openly admitted that 5% of all information the US collects for economic purposes originates from non-open sources. According to an estimate, this translates for American industry into more than 7 billion dollars in the way of contracts. That is why agreements must be made globally, preferably in the context of the World Trade Organisation.

Cryptography is a crucial point in the debate on protecting citizens and businesses. The protection of privacy via legislation is only effective if the law is enforced. Enforcement is much more difficult if cross-border espionage is involved. That is why it is necessary to encrypt information, and people must be equipped to protect themselves against espionage.

That is why, Mr President, I should like to hear from Commissioner Liikanen as to what his proposals for additional legislation or measures in this field are. For whatever is technologically possible will be implemented.

3-026
Buitenweg (Verts/ALE). – *(NL)* Mr President, it is no secret that the Group of the Greens wanted to introduce a stronger investigative tool, a committee of enquiry, in order to ascertain the truth about ECHELON, but unfortunately, the majority of this Parliament did not feel up to it. However, a temporary committee has been set up, which is something. Although a committee of enquiry might have revealed more secrets, I can now say that it is not the lack of facts which disappointed my group, it is the conclusions.

Tapping can be necessary sometimes, but the improper tapping of our citizens and non-governmental organisations contravenes the European Convention on Human Rights, because it is disproportionate by definition. Although the European Convention on Human Rights has been mentioned, the conclusions do not state in so many words that ECHELON violates citizens' rights. Similarly, it is not written anywhere that the United Kingdom and Germany must stop facilitating ECHELON. Of course, the world will not immediately change by a vote we take in Parliament, but that does not mean that that vote is unimportant: we need to make it clear what is and what is not acceptable.

The Netherlands will soon be debating a law on intelligence and security services in parliament. This law legitimises ECHELON-type activities. An increasing number of governments want to narrow the information gap compared with other governments by setting up large-scale and improper tapping operations themselves. It is our task to stop this snowball effect by making clear, political statements against the violation of human rights. Otherwise, I have no choice but to vote against this motion.

3-027
Krivine (GUE/NGL). – *(FR)* Mr President, it is fortunate that the report, which most of the members of the temporary committee voted in favour of, acknowledges the existence of the Echelon network, despite American authorities maintaining a guilty silence. I myself did not vote in favour due to the poor quality of the report's conclusions.

Echelon is, in fact, one of the essential parts of the NSA, a sprawling global espionage network which employs approximately 90 000 people and which has the technical capacity to carry out hundreds of millions of interceptions each day. This system is a real instrument of war against individual freedoms, and is controlled by only eight people, one of whom is the President of the United States, cynically called the 'gang of eight' by the chairman of the Congress monitoring committee.

The industrial and political espionage system was set up during the Cold War and its role is to defend what some dare to call the free world. The people who hold these views met us in Washington, in this state of mind and not without a degree of annoyance. They asked us why we had come to try to cause trouble for them, when the money, armies and secret services of both the United States and Europe are defending the same values. These are values that mean, for example, that on entry visas to the United States, the question 'Are you involved in Communist activities?' has been replaced by 'Are you involved in terrorist activities?' It is now clear why no state or company has ever complained about the workings of Echelon – it is obviously to acknowledge the debt for services rendered.

It is now known that the United Kingdom and Germany act as intermediaries in this system, despite being members of the European Union and signatories of all the conventions on human rights. Other countries, however, such as France, have similar practices. Our response to Echelon will not be fine sounding speeches or technical measures such as encryption. We will respond by providing accurate information to the public about the choices it has in terms of society and by strictly applying the basic rights enshrined in the conventions on human rights.

Industrial espionage is the lot of a society motivated by profit and competition; political espionage is the by-product of an undemocratic society and this is the basic problem posed by the Echelon system. We must respond to the global policing of interceptions with vigilance and popular intervention on a global scale and I maintain that European laws of today are better equipped to protect people against industrial espionage than against individual espionage. This is one perception of Europe, but it is one that I do not support.

3-028
Krarup (EDD). – *(DA)* The temporary committee's report expresses a thought-provoking blend of power and impotence, something we can, of course, see in the introductory quotation from one of the great satirists of antiquity, Juvenal, who formulates the hard but highly thought-provoking question, 'Who watches the watchmen?' Everyone seems to be agreed

that the Committee's main conclusion is an important demonstration of the fact that this Parliament can achieve a certain power. The main conclusion is that completely convincing documentation has now successfully been put together to show that this worldwide surveillance system does in fact exist, but that is something of which we were, in actual fact, already well aware. The Committee has assembled and registered documentation that has actually been available for years, at any rate to whoever has been prepared to do research into this state of affairs. However, it is valuable to have the huge amount of documentation that has been assembled. It is required reading for every democrat.

However, this is, of course, where the impotence comes in, first of all through the documentation we have to do without. The report concludes that it is 'surprising, not to say worrying, that many senior Community figures including European Commissioners, who gave evidence to the temporary committee, claimed to be unaware of this phenomenon'. The statement is the closest approximation to an acknowledgement of the fact that the senior figures in the Commission are hiding behind a wall of silence and selective memory loss. To put it bluntly, they are full of lies. Did you hear that, Commissioner? A further demonstration of impotence lies in the sad conclusion that there is no effective supervision in terms of the national constitutions. The report has an annex containing a survey of parliamentary and judicial supervision in the Member States. Quite a few Member States have neither judicial nor parliamentary supervision and others – such as my own country, Denmark – have formal systems which, in practice, have shown their astonishing lack of effectiveness. The sad answer to the question, 'Who watches the watchmen?', is nobody.

3-029
Hernández Mollar (PPE-DE). – *(ES)* Mr President, I believe that if ever there was a time to congratulate a rapporteur and the Chairman of a temporary committee, this is it, since they have produced a report which has been produced against all the odds.

The results of the work of the Temporary Committee on the ECHELON interception system, in my view, send the important political signal that the European institutions, and in particular the Commission, must take much more care over the security of their communications and that the Member States and the European Union must create a new legal framework to protect their citizens and to guarantee that the privacy of their communications is not jeopardised as a result of interception because those States have the technological means and potential to use it inappropriately.

These days, electronic mail, mobile telephones, videoconferencing and the Internet have broken down the physical borders between countries across the world. And the most serious thing is that organised crime is using these means for their own advantage and even funding. This gives rise to a question: why not direct all this potential for intercepting communications which, as has been demonstrated, the countries making up the ECHELON system have at their disposal, to combat terrorists, drug traffickers or the organised mafias which traffic in human beings, instead of using it for an international competition between States which is unfair by any reckoning?

All Member States of the European Union must dedicate all their efforts to defending the rights of their citizens, whether they be economic, social or political in nature, since anything less would represent a lack of compliance with the commitments laid down in the Treaties and, in particular, with the recent Charter of Fundamental Rights proclaimed at the Nice Summit by the fifteen Member States.

3-030
Evans, Robert J.E. (PSE). – Mr President, I would also like to congratulate the rapporteur, Gerhard Schmid, and other colleagues on the committee.

As Mr Schmid said, he had at the beginning a very difficult brief. Let us remember that the pressure for this report came as a result of some quite fanciful journalism in different countries and some wild, weird and wonderful assertions, most of which served to undermine the very case that the authors themselves were trying to make. The surprise of this report is the fact that very few of these allegations are substantiated.

Several speakers this morning have referred to the UK's role in this matter. The report acknowledges that every state in the European Union and elsewhere in the world needs some sort of interception to protect national security, safeguard its economy and fight crime. That is nothing exceptional. All the Member States do it, cooperating with each other and with other friendly democratic countries. For example, to counter terrorism threats we need to collaborate with those who have the right skills and can help. I know the United States is helping Spain in its current difficulties.

The UK also already ensures that any operations on UK soil are carried out with the full knowledge and consent of the UK government and are subject to UK law. That means – I hope Mrs McKenna is listening – that everything is compatible with the European Convention on Human Rights. I hope we can put to rest some of the assertions and allegations that are still flying around about what is going on in the UK as well. Furthermore, the UK stands completely by the conclusion reached in Council that in no circumstances may telecommunications interceptions be used to gain commercial advantage. Numerous allegations were made before the report was published. They have been repeated today by a colleague who has since left and, as Mr Schmid will testify and the report shows, there is no evidence to substantiate them. I thank the rapporteur on his very comprehensive report and Mr Coelho for chairing the committee.

3-031
Dybkjær (ELDR). – *(DA)* I too should like to thank the rapporteur for an outstanding piece of work. I want to thank him for having taken the lid off this area and for having found an appropriate balance in the report. It would not have aided further developments if Parliament had gone off in all possible directions at once. This is one of the best examples of the European Parliament's being able to make a difference and of its being able to perform a task which otherwise could not have been carried out because the individual parliaments would not have been up to the job. It is also a good example of there being a common area of effective operation in Europe that is of potential benefit to all citizens.

The purpose of the task can be summarised in three points. Is there such a thing as an ECHELON system? If so, what does it do? And is there a need for democratic initiatives? We can conclude that the system exists. Some say that we knew that already, but it is nonetheless necessary in a community founded on the rule of law to also supply proof of the fact. We can also conclude that there are unacceptable interceptions of private and commercial communications and, against that background, the European Parliament proposes a long list of initiatives concerning what can be done. Above all, a higher degree of democratic supervision could be introduced. In that connection, it was also very pleasing to hear the presidency of the Council speak here today. It offers hope that something will happen, both in the Member States and in the EU, for it is really astounding to hear those who exercise power reveal the extent of their ignorance and say that they have never heard of the system, even though there have been plenty of odds and ends written about it. Had it not been for the European Parliament, they could have remained ignorant, and there is now a rather special form of democratic deficit that amounts to the inability either to hear or to read. 'Who watches the watchmen?' Well, the people do, of course; and if democracy is not working, the representatives of the people must be replaced by other representatives.

3-032
Schröder, Ilka (Verts/ALE). – *(DE)* Mr President, we have now heard it said several times that *Echelon* really does exist. The question is: what does *Echelon* entail? It entails a monitoring system which is tantamount to a massive global violation of fundamental rights, infringing not only the privacy of industrial communications but also the privacy of every form of communication between individuals. This violation of human rights is surely the real scandal of *Echelon*.

But what exactly is the statement on this issue from the European Parliament? The essence of the message contained in this report is, in fact, that we condemn this system because it is operated primarily by the United States and because it works too well. What countermeasure does the report propose? As a countermeasure, it proposes the establishment of an EU intelligence service. As we know, there are also monitoring standards such as ETST, and European monitoring plans bearing the name *Enfopol* have come to light too. Neither of these points is mentioned in the report, which essentially focuses on the monitoring that is undertaken by national intelligence agencies in violation of fundamental rights.

If we are tempted to follow the path that some Members would wish us to pursue and restrict our efforts to establishing control over the intelligence services, relying on democratic control of these bodies to solve the problem, we must first look at the various secret services around the world; as we do this, it will become clear to us that democratic control has never worked. I know of no country in which it works. So in my view it is no solution.

Let me make one more point on the subject of foreign policy, to which several references have already been made. If an EU armed force is established, the logical consequence would be the creation of an EU intelligence service as well. I am opposed to both of these developments, because I believe they will result in the militarisation of the EU.

If there is any serious intention to create an area in which peace, security and justice reign supreme, the intelligence services will have to be disbanded; the surveillance authorities will also have to be dissolved. Then, perhaps, even former employees of the surveillance authorities will be taking advice from computer hackers on how to protect themselves with the utmost effectiveness against government infringement of their fundamental rights.

3-033
Frahm (GUE/NGL). – *(DA)* Mr President, people outside this House must really wonder what is going on here. First of all, we conclude that there is in fact such a thing as ECHELON, and then this politically elected assembly chooses not to draw political conclusions. We then go on to conclude that privacy is being violated, whereupon the European Parliament, which at other times talks of course about guaranteeing people's rights, chooses to shift responsibility for guaranteeing these rights from the EU and the Member States to the individual citizen who then has to protect himself through encryption. Finally, the observation is made that Great Britain and Germany are, in different ways, parties to this cooperation, and yet the report recommends ever closer cooperation on intelligence matters and no conclusions are drawn in relation to the two Member States that are involved in infringing our rights. On the contrary, they are free to participate in this cooperation. I believe that the European Parliament has lost an opportunity to make it clear that it is serious about citizens' rights. It is more than just a matter of high-flown speeches and expensive documents. It is also about taking action, and action is what is completely missing from the report. That is why I shall not be able to support it.

3-034
Cederschiöld (PPE-DE). – *(SV)* Mr President, I should like to say a big thank you to the rapporteur, Mr Schmid, and also to Mr von Boetticher and to the committee chairman, Mr Coelho. You have all carried out important work.

ECHELON proved to be less extensive than we had believed, and the issue has now been somewhat defused. The ECHELON debate has nonetheless helped increase awareness of these issues, something which was vital. Interception and military espionage are phenomena which we shall not be able to abolish, or which we even wish to abolish, as long as terrorism and threats to the EU and its citizens exist. The issue for the future concerning the way in which total security systems are to be developed without violating fundamental principles has advanced a stage.

There is no proof that the United States has damaged global competitiveness by spreading information about companies. However, the report shows the need we have to develop security and encryption. I particularly welcome the clear opposition to bribes. As a Swede, I feel that is an extremely good development.

Obviously, cooperation at EU level on this issue involves having national control stations in accordance with the network proposed. The committee's work on ECHELON helped bring us closer together, thanks to the very special qualities of the rapporteur, Mr Schmid.

3-035
Berger (PSE). – *(DE)* Mr President, I was given the opportunity to take part in the work on *Echelon* as a representative of the Committee on Legal Affairs and Citizens' Rights, which was a very welcome change, and I should like to concentrate on a few legal and institutional aspects of that work. The rapporteur is to be congratulated on presenting us today with a report which is exceptional in terms of both methodology and content. Another exceptional feature of the report, to my mind, is the response it has already evoked far beyond the bounds of the European Union.

Just recently I had the opportunity to discuss the contents of the report with prominent US senators. Firstly, they were very familiar with the report – which is highly unusual for one of our parliamentary reports – and, secondly, they did not question its findings and even expressly confirmed the designation or codename *Echelon*. How different this was to the situation only a few months ago, a situation that had prevailed over a number of years, when the observations we made in the pursuit of our efforts to clarify the *Echelon* question fell on many a deaf ear.

The dismissive and stonewalling replies to the questions we have put to past and present commissioners, such as Mr Bangemann and Mr Bolkestein, as well as to the Council, fill bulky volumes in our private archives. This makes our constructive cooperation on this occasion with Commissioners Liikanen and Vitorino all the more gratifying, and I should like to lay special emphasis on that point. I am therefore confident that the Commission will help us to ensure that the concrete measures proposed in our draft report are actually taken, particularly the legislative measures to improve the protection of European citizens and European companies, the specific proposal for an additional protocol to the European Convention on Human Rights which would elucidate Article 8, efforts to reach a much needed agreement with the United States and many more measures besides.

We must appeal to the Member States to desist from any illegal activities in which they may have been engaging, to exercise more effective democratic control of their intelligence agencies and to attach greater importance to protecting the rights of all citizens of the European Union in addition to those of their own nationals.

(Applause)

3-036
Schmidt, Olle (ELDR). – *(SV)* Mr President, I should like to thank the rapporteur for a sound report. The most important conclusion may appear simple: ECHELON does in fact exist. It took a long time for us to establish this, however.

Allow me to highlight two aspects of the report. In my view, there is not enough about personal privacy and the protection of individuals. That is why it was good that the rapporteur should have especially emphasised those issues in his presentation. As was also pointed out, management interests are obviously very important, but these are not the whole story.

According to certain indices, the surveillance system has not only been used for industrial espionage, but also for intercepting the communications of individuals or organisations. ECHELON has, of course, the capacity to intercept communications such as e-mails, faxes and telephone conversations between individuals. The British journalist Duncan Campbell even believes that ECHELON is used to intercept communications from Amnesty and the Red Cross. If that is true, it is an incredibly serious matter. Just as was stated earlier, the EU will, in that case, have to be able to take action, in common with national parliaments and governments. In a democratic state governed by law, protection of the individual must always come first, just as the President-in-Office of the Council indicated earlier.

My second remark concerns encryption. Encryption offers the only effective protection against interception. However, encryption technology is still in its infancy, and there are quite a few barriers to the export of civil encryption systems. Nonetheless, the extensive exchange of information that takes place in Europe lends topicality to the issue of common standards and rules for encryption. The institutions of the EU must be able to act jointly on this issue.

3-037
Papayannakis (GUE/NGL). – *(EL)* Mr President, may I say that I share the indignation, doubts and criticism voiced by numerous honourable members in the House about Echelon which, as we can see from the Schmid report, is not the stuff of detective novels.

However, I should like, if I may, to focus on one point. As I understand it, Echelon allows certain Member States of the European Union – one Member State at least and maybe others – to attend top-level meetings in the European Union armed with knowledge of the negotiating tactics, positions and strategy of the other Member States. What I want to know is, if this is true, then exactly what are the final decisions worth? How can we trust them, how biased, to use the English expression, are they? And how can the Heads of State and Government of the other Member States accept them?

Madam President-in-Office, I would be most interested in hearing your views on this. How long will it be before we read the memoirs of some US president or high-ranking British officer and see how much political capital they made from Echelon and how big a laugh they had at our expense?

3-038
Martin, Hugues (PPE-DE). – *(FR)* Mr President, I have to say that I was slightly surprised that Mr Coelho, who did an excellent job in inspiring difficult debates and maintained a completely objective approach, was given so little speaking time. I would also like to thank Mr Schmid who has obviously worked very hard on this issue, even though I disagree with some of the points in his report.

The resolution poses a fundamental problem. It highlights that the Echelon system exists and was set up by the United States with the help of the United Kingdom, in particular. On the other hand, the resolution raises the problem of whether the participation of an EU Member State in the Echelon system is compatible with European law. This is a genuine problem in cases where Echelon is used to carry out commercial or industrial espionage and to quote from paragraph F of the resolution "if the system is misused for the purposes of gathering competitive intelligence, such action is at odds with the Member States' duty of loyalty and with the concept of a common market based on free competition, so that a Member State participating in such a system violates EC law."

In my view, this point is fundamental and that is why this report, in spite of its values, leaves me with mixed feelings. In particular, I do not accept the way the use of the territory of a Member State by a third party state – whether or not an ally – is trivialised with the argument that another Member State, France, in this case, could have the resources to set up its own global interception system. This is not the same situation at all and that was not part of the work of the Echelon Committee.

Today, economic conflicts can be very serious and industrial espionage is only an instrument and, therefore, we should perhaps take care to ensure that we do not use this sort of war-mongering vocabulary to refer to our allies, and, even more so, to the EU Member States. We in Parliament have a right to expect the Member State or States involved, the Council and the Commission to take preventative measures and action.

3-039
Vattimo (PSE). – *(IT)* Mr President, I would also like to thank Mr Schmid in my capacity as a member of the Temporary Committee on Echelon for his extensive, far-reaching endeavours in collecting and organising a truly impressive mass of highly technical information.

The report and its extensive conclusions and recommendations section, in particular, represent a major contribution on the part of Parliament to the protection of European citizens' and companies' freedom. The main results have already been presented by Mr Schmid and so I will not go back over that ground in my speech, although not all the conclusions are consistent with some of the information given in the report, as Mr Di Lello pointed out.

To increase the effectiveness of the report and with a view to the protection of citizens' privacy, in particular, as well as companies, may I suggest to Mr Schmid, once again, and to the Members that they include some amendments tabled by Mr Di Lello and others, specifically Amendments Nos 12, 20, 21, 22 and 30. These amendments have been rejected by the temporary committee but I believe this was purely out of concern for practicality. It has, in fact, been maintained that a form of huge-scale, global non-differentiating interception such as Echelon, based solely on recognition of a number of keywords and using search engines, would be invaluable for combating terrorism and crime.

Now, the amendments which I recommend should be put to the vote state, on the other hand, clearly – and rightly so – that these interceptions are contrary to the principle of legality and proportionality which should govern every operation compromising the confidentiality of communications, and therefore cannot be permitted.

It may be that, in the future, we will have to amend the laws in question in line with the development of information technology but, as things stand at the moment, this is the situation. Including the amendments cited in the Schmid report

would be a decisive contribution towards ensuring that the European citizens feel that their interests are fully represented and that the Unions' institutions do not lose credibility as a result of the report.

3-040
Paasilinna (PSE). – *(FI)* Mr President, Commissioner, ladies and gentlemen, I would like to thank Gerhard Schmid for his excellent work. Wiretapping and spying are an intolerable invasion of people's privacy and are in direct contravention of Article 8 of the European Convention on Human Rights.

When the Cold War ended, a massive system that had reached the pinnacle of its development sought a fresh role: it would seem to have gone from spying on enemies to spying on friends. It was exactly the same in NATO: when the communist system ended the highly paid personnel who depicted images of enmity suddenly looked around for new roles to play, and they appear to have found them. It even feels as if a sort of bellicose mood somehow lingers in the United States of America. They are now building a missile shield against a threat that is actually hard to see. Furthermore, certain recent selfish moves on the part of the new US administration seem bewildering to us here in multicultural Europe. What is actually happening over there? Perhaps we ought to go and take another look, as only one in three of our American colleagues have a passport. They are notoriously not the most widely travelled of people.

I think we must now establish a watertight agreement at charter level that we do not engage in industrial espionage amongst one another, and our most important trading partner and friend, the United States, must be persuaded to adhere to this principle. At the same time we must ensure that we are able to check that nobody is violating the privacy of European Union citizens. And thirdly, here in the appropriate committees, we must continually monitor the situation to ensure that that is what is happening. We have important work to do in this area.

3-041
Karamanou (PSE). – *(EL)* Mr President, it is a known fact that, when the Cold War ended and the system of the two superpowers broke down, numerous national secret services extended the scope of their activities to commercial and industrial espionage. The United States, Canada, New Zealand, Australia and our own United Kingdom excelled in this sort of espionage by setting up Echelon, as our committee has confirmed thanks to the excellent work carried out by the rapporteur, Mr Schmid, and the coordinators.

In my opinion, Echelon is one of the greatest scandals of all time. It is a political scandal, it is an economic scandal and it is a scandalous mass violation of human rights and the rules of democracy, which is why any strategic plan dealing with Echelon-type espionage systems should force governments and international organisations to face squarely up to their responsibilities.

Globalisation needs to go hand in glove with legal guarantees that both privacy and the rules of healthy competition will be protected. We need to improve the security of information technology infrastructures and the application of efficient parliamentary and judicial controls on how secret services operate at national and European level, otherwise our citizens will lose all confidence in the information society.

Finally, European companies need to develop ways of protecting themselves by reviewing their internal procedures, informing and training staff and using firewalls to protect their electronic communications. Healthy competition between companies should be the cornerstone of the global economy. In all events, intelligence services should operate on the basis of respect for fundamental rights, as set out in the Charter and Article 8 of the European Convention on Human Rights. It is high time we gave European citizens an answer to their question: *quis custodiet ipsos custodies*?

3-042
Borghezio (TDI). – *(IT)* Mr President, I have the greatest reservations regarding the mild and, in parts, hesitant nature of the report, for it underestimates the dangers of global monitoring of communications and does not propose adequate autonomous defence measures for Europe. In theory, the European Union could certainly negotiate a memorandum of understanding allowing the Member States to use this information but, for the moment and in the short term, the European Union must think about protecting itself autonomously with a different cryptographic system from those currently in place, such as the state of the art Hermes system which is the product of European research, with remote point-to-point transport so that the data cannot be captured by the spy satellite.

The report appears to avoid this specific question: can the use of data collected using Echelon by the security services of one of the Member States, the United Kingdom, actually lead to tangible cases of espionage against European citizens or companies by the United States? These are questions which we must ask ourselves, seeing as the same US Congress raised the issue of whether the surveillance carried out by the NSA on US citizens was not a practice which contravened the Constitution. It has been said and must be said again that even NGOs such as Amnesty International and Greenpeace and even people who are completely above suspicion such as Mother Teresa of Calcutta have been intercepted by the Echelon system. That is worrying.

The President of STOA, an ex-Member of Parliament, Mr Pompidou, commented that many European companies have already suffered because of the existence of ECHELON, but they do not expose it because they still trade with the United States and have to continue to do so in the future. Therefore, we wonder what legal protection there is to protect European companies against such damages. What means do they have of proving that they have been wronged? Moreover, what funding is there for European research in major, strategic sectors such as cryptography? These are questions which the report does not answer.

3-043
Liikanen, *Commission*. – Mr President, I should like to congratulate Mr Coelho, the chairman, and the honourable Members of this Parliament who participated in the work of the Temporary Committee on Echelon, especially the rapporteur, Mr Schmid, for the comprehensive and well-written report on the Echelon interception system. I should also like to thank Parliament as a whole for this very important debate.

The Commission has been following the parliamentary work over the past year with great interest. The issue touches on complex technological and political considerations. The report presents a large number of references to the existence of a global interception system. These build up a body of evidence. The Commission stated on 30 March last year: "It is the very nature of intelligence activities that those that are not involved in those activities are not able to confirm nor deny their existence". Even though the Commission is not involved in intelligence gathering activities, we do not question the findings of the European Parliament. The report by the Echelon Temporary Committee is based on careful and thorough work.

The European Union is founded on respect for human rights and fundamental freedoms, based on Article 6 of the Treaty and the EU Charter of Fundamental Rights. As the guardian of the Treaty, the Commission attaches the utmost importance to the observance of those principles.

The abuse of large-scale communications intelligence is something that can make an individual living in a democratic society feel very uneasy. Privacy is a fundamental right. Any derogation from this right has to be specifically provided for by law, necessary for the achievement of objectives, in the public interest, proportionate and subject to adequate checks and guarantees against any form of abuse.

The Commission is determined to look at the practical implications of the EU Charter of Fundamental Rights where, in particular, the protection of communications and personal data will be further enhanced. The Commission has already stated that it considers it would be preferable for the Charter to be integrated into the Treaties for the sake of visibility and legal certainty. At the same time, the Community has to act within the scope of the powers conferred upon it by the Treaty.

The findings of the committee concerning the compatibility of a system of the Echelon type with EU law distinguish between two scenarios. First, the use of such a system purely for intelligence purposes and second, abuse of the system for the purpose of gathering competitive intelligence.

The Commission shares the opinion that the operations envisaged in the first scenario in the interest of state security fall within the scope of title V of the Treaty on European Union, which sets out the framework for the establishment of a common foreign security policy. This lays down no provisions on intelligence activities. Member States remain responsible for the conduct and supervision of intelligence operations, unless the Council decides otherwise. The EU Treaty does not empower the Commission to exercise its prerogatives as guardian of the Treaty in this field.

Maintaining an interception system for the purpose of gathering intelligence, even in the context of a Member State's defence or national security, is outside the scope of the directives in force on data protection. As to the second scenario, the gathering of competitive intelligence does not come within the scope of a common foreign and security policy. It is not an activity that would be allowed in pursuit of a common foreign and security policy. As far as Community law is concerned, such activity could fall within the scope of data protection directives. This is the case if data gathered by Echelon-type systems is collected or subsequently passed on to commercial undertakings for purposes unrelated to the prevention of criminal offences or state security matters.

We are all aware that electronic communications play an increasingly important role in everyday life. Properly functioning electronic communications infrastructures are crucial for our economies. As was stated in Lisbon, Europe wants to become the most competitive and dynamic knowledge-based economy in the world. A precondition for this is the need to build trust in electronic communications. This concerns both our citizens and our businesses.

The development in technologies can bring protection against surveillance. It is reassuring that the use of fibre-optic cables instead of satellites for transcontinental communications has decreased the possibilities for large-scale routine interception.

The argument that the rise of the commercial Internet has significantly diminished the possibilities for interception is convincing. Today the majority of Internet communications by cable no longer leave the European continent.

The Commission has taken important steps over the past years to develop a policy to improve the security of electronic communications. Encryption has been mentioned here often. The availability and free circulation of encryption products and technologies in the European Union has now been ensured with the dual-use regulation in place since September 2000. The support, through the Community's research framework programme, in particular with the information side of technologies programme, has improved the conditions to develop top-of-the-range European encryption products in order to enable EU citizens, companies and governments to protect their communications. I would ask for your support in this context in our discussions on the next framework programme.

However, it is not sufficient to guarantee a widespread use of encryption. Citizens and small businesses are not always aware of the potential effects. We need to inform them about the possibilities of encryption. We need to empower them. In June this year the Commission adopted a communication on network and information security. The purpose is to tackle this awareness problem and to further develop a European approach on security-related issues. I am pleased to note that the conclusions of the report under discussion are very much in line with the approach adopted by the Commission. The honourable Members are aware that there is already a legal framework in place at EU level addressing data protection and obligations for operators. There is also an emerging policy on cybercrime, which will be discussed later today. Network information security is now coming as a third element to complete the picture. However, communication is not meant to contain a fully fledged action plan.

We have already initiated some broad action lines where progress needs to be made. I will highlight some of them. To raise awareness, public information and education campaigns should be launched and best practice should be promoted. A European warning and information system is needed to strengthen the activities of computer emergency response teams – CRTs – or similar entities and improve the coordination amongst them. I have noted Parliament's support for this idea. Then we need to examine how best to organise at European level proactive and coordinated measures to develop forward-looking responses to existing and emerging security threats like the European information security observatory. Finally concerning the legal framework, we will set up an inventory of national measures which have to be taken in accordance with the relevant Community law. Here I reply to Mrs Plooij-van Gorsel's question.

I would also like to mention that further action is needed to support the development of technology, to streamline standardisation and certification work, and for the introduction of security in government use and better international cooperation.

As a next step, it is our intention to develop a road map before the end of this year containing concrete actions with firm deadlines in order to start putting a European information security policy in place.

Finally, the Commission is constantly improving the production of its own information systems in terms of availability, integrity and confidentiality, especially in view of the changing nature of the various existing and potential threats. The entry point to the Commission networks is constantly monitored and actively tested. Similar efforts are conducted through projects for secure video conferencing, secure telephone systems and encryption of databases. Furthermore, security audits of Commission information systems are conducted on a regular basis. A new information system security policy has been drafted and is currently being prepared for discussion within the Commission services.

In addition, the Commission is reviewing its overall security policy as a result of internal reorganisation activities and policy developments. The new internal Commission security provisions will follow the model of the Council security regulation adopted earlier this year and will be based on the following principles: proportionality of security measures in relation to existing risks; shared responsibility and accountability of staff, management and security experts; the creation of all elements into a coherent security strategy, such as personal information and physical security; and finally, close cooperation between European and national security organisations.

The Commission intends to allocate additional resources to the security domain. However, scarce technical and human resources, especially in the field of information security specialists, hamper the full deployment of security policies. This concern is common to most public administrations including the European institutions. I welcome the support in the report to allocate more resources for the task to be undertaken and I sincerely hope that Parliament as a budgetary authority will follow the position of the committee.

The trust of European citizens and businesses in electronic communications and the well-functioning of information infrastructures has become crucial for economies. Let me reiterate once more that the Commission attaches the utmost importance to respect for human rights and respect of rule of law.

3-044

Schmid, Gerhard (PSE), *rapporteur*. – *(DE)* Mr President, at the end of this debate I should like to say a few words of thanks, first of all to the chairman of the committee. We did not know each other before the committee was formed, and

yet within a few days we were cooperating as if we had been working together for years. This is not to be taken for granted; it is no everyday occurrence. Thank you very much for that.

(Applause)

I thank the members of the committee. We did not always agree, but the atmosphere between the members was never unpleasant, and our cooperation was constructive. These are also things we cannot always count on in this House. So let me express my sincere thanks to them too. My thanks go the Secretariat, the Secretary-General and his staff, and to the many people who have helped us with their advice and information. Some of them are mentioned in the report. There are others who have not been mentioned in their own interest. My gratitude to them is no less heartfelt.

(Applause)

3-045

IN THE CHAIR: MRS FONTAINE
President

President. – Thank you, Mr Schmid, for your perfectly justified acknowledgements.

The debate is closed.

The vote will take place at 12 noon.

3-046

Combating terrorism

3-047
President. – The next item is the report (A5-0273/2001) by Mr Watson, on behalf of the Committee on Citizens' Freedoms and Rights, Justice and Home Affairs, on the role of the European Union in combating terrorism [2001/2016(INI)].

3-048
Watson (ELDR), *rapporteur.* – Madam President, I have the honour to bring this report to the House on behalf of the Committee on Citizens' Freedoms and Rights, Justice and Home Affairs. It was felt appropriate for the chairman of the committee to pilot through the House a report on a matter which requires a wide consensus of support. As a Liberal Democrat, I regard terrorist acts as a unique category of crime which negates democracy. They are designed to destroy the very basis of civil society and I am grateful to committee colleagues for their support for this view and for our subsequent recommendations.

There are some who see my report as a response to current terrorist attacks on the Iberian Peninsula. I share the profound concern of those who recognise this as an open wound in Europe's polity and on behalf of the committee I extend to them my deepest sympathy and solidarity. In my mind, however, my analysis and recommendations should be no more and no less a response to the situation there than to similar situations which have existed, and in some cases continue to pose a threat, in Northern Ireland, in the UK, in Corsica, in France, in Germany, in Italy or other countries which have been subject to attack by ideological terrorist groups.

Terrorism is not a new phenomenon, but today it has many new aspects and features. Links between terrorists in different countries now form part of the fretwork of internationally organised crime. In August, we saw evidence of contacts between terrorists in Northern Ireland and their counterparts in Colombia. Such links enhance the capacity of those who use terror for political ends to find weapons, exchange ideas on techniques and escape the arm of the law.

Terrorism is also inspired by new motives and new weapons. Some animal welfare groups launch campaigns to terrorise those connected, sometimes only tenuously, to experiments on live animals. Some environmental protection groups harass those involved in oil exploration or exploitation. Computer terrorism and environmental terrorism are worrying features of today's world.

Previous attempts by democratic societies to tackle this threat have met with varying success. Where they have signally failed is in the field of international cooperation between law enforcement agencies or judicial authorities. In the case of the European Union, the tools to improve such cooperation are provided by Articles 29 and 31 of the TEU and yet governments have hesitated to use them. Such reluctance is strangely out of place in a Union founded on the values of humanity and dignity, freedom, equality and solidarity, respect for human rights and freedoms and the rule of law.

The decision of Member States to make the Union an area of freedom, security and justice should provide a basis for urgency in tackling a growing terrorist challenge. An unqualified rejection of terrorist organisations and of terrorism

should lead to a coherent and binding set of coordinated policies and a spirit of cooperation between governments at all levels. Cooperation between France and Spain or between Britain and Ireland has improved in recent months and yet the opportunities offered by the Amsterdam Treaty for more effective action have not been grasped.

I would like to thank Members from all parties in this House for their generous advice and assistance to me in drawing up this report. The report commands a wide consensus of opinion. I am pleased that it opposes the introduction of exceptional laws and procedures. Such measures should not be necessary. They frequently deprive governments of moral superiority and can descend into instances of state-sponsored terrorism. Herein lies a potential danger to democracy. Where the state is not prepared scrupulously to pursue criminal actions against soldiers or policemen guilty of torture, it has little legitimacy.

Nonetheless I am opposed to Amendment No 2, which could be interpreted as justifying terrorism and to Amendment No 1, which would delay action in this fight. I believe that the legal systems of all the EU Member States have the capacity to guarantee justice. That is not to say that judicial standards could not be higher. They could be, and raising them is a major challenge for the Union. Unless we are prepared to trust each other's judicial systems and democratic practices, however, more and more families will be deprived of their loved ones as innocent people lose their lives to those who murder for political ends.

My report therefore calls on the Council of Ministers to establish common minimal laws and penalties to counter terrorist acts, to abolish formal extradition procedures for those suspected or convicted of terrorist crimes and to establish a European search and arrest warrant in the fight against terrorist groups. Some may regard such measures as extreme. I believe that all are justified in tackling a form of crime designed to destroy democracy based on the rule of law and I hope that the Commission and Council will respond early to this call for action.

(Applause)

3-049
Galeote Quecedo (PPE-DE). – *(ES)* Madam President, this part session marks the beginning of a political year which presents us with tasks which could be described as historic: in the coming months we have to launch a constitutional reform of the Union, we are going to introduce the euro and we are going to face the most important chapters in negotiations which will lead to an unprecedented enlargement of the European Union.

For thousands of European citizens, however, these debates pass over their heads. The fundamental concern of these citizens today is that their children receive a pluralist and open education in their schools; that they may safely walk the streets of their towns; that they may be able to publicly express what they think; that they may be able to exercise their right to a free vote; that they may be able to hold a position representing their people, without endangering their lives or those of their families. And these thousands of European citizens rightly expect local, national and European administrations to guarantee their fundamental rights.

That is why it seems to me essential that the Community institutions, as well as dealing with the constitution, the euro and enlargement, respond to what we European citizens, in Spain for example, who live there, consider to be our first priority: the fight against terrorism, that is, the fight for freedom, for respect for human rights and for the rule of law which we Spaniards have built after four decades of dictatorship.

The creation of a common area of freedom, security and justice is what the European Council in Tampere in October 1999 called for. We must congratulate the current Belgian Presidency for having made this one of its priorities, and we place great value, of course, on the laudable work of Commissioner Vitorino, who I hope will find support in this debate for the use of his powers of legislative initiative.

I believe that the European Parliament, the House which represents the European citizens, has had a special responsibility in this task, which our President, Nicole Fontaine, has taken on with a decisiveness and courage that those who have directly or indirectly suffered terror will never forget. I am sure that your successors will have this same attitude.

I therefore also believe that we can be reasonably satisfied in voting for this report today on the role of the European Union in the fight against terrorism, the importance of which is demonstrated by the fact that its rapporteur is the very Chairman of the Committee on Citizens' Rights and Freedoms, Graham R. Watson. He is presenting this House with a text approved in committee by a huge majority, as he has said, and which contains such fundamental considerations as the statement that democratic dialogue must be based on mutual respect and non-violence, or the recognition of the debt that society owes to the victims of terrorist acts and their families.

In approving this report we are making a series of recommendations which, when implemented, will allow us to create a common definition within the European Union of the crime of terrorism; to adopt the principle of mutual recognition of judgments; to replace the formal extradition procedures with a European search and arrest warrant for those crimes which

cause particular revulsion in society. I am talking about terrorism of course, but also human trafficking, crimes against children, illegal drug and arms trafficking, corruption, fraud and organised crime.

Madam President, with absolute respect for all the parliamentary groups, regardless of their political orientation and, of course, for the free vote of Members, I would now ask you to support the report because this is a fundamental issue which goes beyond party disputes. Through the implementation of the measures proposed in it, justice will have more instruments for guaranteeing the fundamental freedoms that formed the basis for the construction of Europe and which have been restricted by terrorism for thousands of Europeans.

3-050
Díez González (PSE). – *(ES)* Madam President, I will begin by thanking the rapporteur, Mr Watson, in particular, and naturally all the members of the Committee on Citizens' Freedoms, for their work, their cooperation and their efforts on this report which today we are going to firstly study and support, and then vote for.

Ladies and gentlemen, I feel happy today as a Basque, as a Spaniard and as a European. I am happy because Europe has understood that when ETA violates human rights, when organised Basque fascism commits xenophobic crime and ideological cleansing, when this terrorist organisation, which in Spain today represents the final dying embers of Franco's legacy, continues to operate, based within Europe itself, it is not a problem for the direct victims, those of us who live with escorts, those who cannot appear on electoral lists, those who have to overcome fear in order to write daily or in order to talk to the media. The problem is for Europe. It is a problem for European democracy as a whole.

Therefore, European democracy is also acting as a whole and is reacting by uniting in the battle against terrorism.

I feel happy because Europe has understood that it is time to go beyond words, beyond fine statements, beyond bilateral cooperation, though this is important.

It has long been time to mobilise the instruments necessary to bring the criminals, the terrorists, the fascists, to justice, to finally arrest the criminals, to implement all the necessary instruments which will make the European democratic institutions more effective in achieving this end.

It also makes me happy to see that Europe has discovered that, when criminals are at liberty, when organised criminals are attacking human rights, freedoms and lives of citizens, the first political decision that must be taken is to make it possible for the criminals to be brought to justice.

We do everything we have to do to ensure that all citizens live in freedom, regardless of their ideology, their beliefs, their origin, their surnames, their native culture, and everything we have to do to defend – if you will allow me – the very concept behind European citizenship: human rights.

The Watson report and its recommendations are not just a commitment against ETA: they are a commitment to democracy. The aim is to beat ETA, but the fundamental commitment is to defend democracy throughout the whole of Europe. To defend the idea that everywhere in Europe people may live in freedom, in plurality, and may live together. And in one place in Europe, in the Basque Country and in Spain, the fascist organisation ETA is jeopardising that coexistence and plurality.

It is said that there will be operative problems, that some countries will have problems harmonising their legislations. President Verhofstadt said here, during his first intervention, that those who do not believe in utopia do not deserve to be called Europeans. I believe that a political will which has been capable of introducing a single currency will be capable of also introducing single instruments to fight terrorism.

But please allow me, ladies and gentlemen, to end by making a comment in my capacity not just as a European, but as a Basque and a Spaniard. As a Basque and a Spaniard, as the daughter of a generation of Spanish democratic citizens who lost the war against Franco and who resisted forty years of dictatorship, I believe, ladies and gentlemen, that through this act today, Europe is performing an act of historical reparation, because for many years, for a long time, we Spanish democrats have felt a sense of isolation, of indifference and distance from Europe. We often felt it during Franco's time and we have often felt it – I can assure you – during these years of fighting the fascism of ETA, of fighting for democracy and freedom.

Today the debt of indifference is being paid off and I feel proud to share this moment with you. Ladies and gentlemen, I wish to thank you as a Basque for this decision. I would like to thank you in my name but above all in the name of many ordinary anonymous people, who every day fight for freedom, who overcome fear in order to appear on the electoral lists, who overcome fear in order to write, and in the name of those people who cannot talk because ETA has silenced their voices for good.

On behalf of all of them, thank you very much and congratulations on this act today.

(Applause)

3-051
Esteve (ELDR). – *(ES)* Madam President, I would firstly like, of course, to congratulate Mr Watson on his excellent work and his important and difficult report.

Mr Watson has not theorised, but has taken account of what afflicts us and, in particular, he has dealt directly with what is inflicted on us by ETA, and of what affects Basque society, Spanish society and, in my case, Catalan society. His total condemnation and his call for the need to respect victims must be a constant element in our statements and our positions.

I would firstly and clearly like to highlight in this report the fact that important positive action measures are proposed for the legal and police areas: the establishment of minimum standards, the establishment of a form of extradition, the recognition of judicial resolutions, the execution of arrest warrants and the approximation of national legislations. I believe that these measures improve the important and priority legal and police action.

In the time that I have available, I believe I should stress that the report has not renounced important values in the fight against terrorism in Europe. It is very important that Recital N incorporates the idea that ideologies are legitimate if they are compatible with democratic respect and values.

It is significant that in Recital O, the expression 'democratic dialogue' reappears, as a fundamental principle, based on mutual respect and non-violence. It is also significant that Recitals R and S state that measures must have restrictions on the part of States so that there is no abuse of the legal regulations.

I believe that all of this is important, given the balance which is provided by priority and efficiency of action and respect for European values. I must mention my satisfaction with these changes, because they change the resolution, approved by written declaration in September 1999 and in which I expressed my disagreement – even though I signed it – with the removal of the expression 'democratic dialogue'.

Through this report the European Union is fully recovering its values on this issue, because peace, understood as the exclusion of violence, on the one hand, and dialogue, on the other, is an essential pairing for the European Union, inside and outside Europe. Europe, when it goes anywhere, inside or outside, does so with this pairing of 'peace and democratic dialogue' and clearly, as I insist inside and outside, I do not want to give any example because I would not want it to provoke comparisons which would alter what is positive about this report and this debate.

I am very satisfied that this report can be approved and that it will be an effective tool for resolving this serious problem which affects many people.

3-052
Schröder, Ilka (Verts/ALE). – *(DE)* Madam President, ladies and gentlemen, this is a report about terrorism. I should therefore like to examine now what is meant by terrorism, because it is recognised as something evil and is often used as an excuse to legitimise the infringement of fundamental rights by the state. And so I have considered the things that are designated as terrorism in this report. Trafficking in drugs is one example. As we all know, the line between illegal and legal drugs is drawn in a fairly arbitrary manner and cannot be inferred from the principles of health policy, for example. Many people here in Parliament, indeed, consume copious quantities of drugs. But I am well aware that the report refers to illegal drugs. I simply mean to say that drugs are an intrinsic feature of every society; they always have been, and no doubt they always will be. Criminalisation will not get us anywhere.

The report then deals with trafficking in human beings, for example. If the smuggling of human beings is meant – and these two concepts are frequently confused – it would be sufficient to include a reference to the fact that people who have had to enter the EU by illegal means have been recognised here as genuine asylum seekers. They are compelled to seek help from people like the snakeheads because we have created Fortress Europe here.

If traffic in human beings is meant, in other words the essential denial of people's fundamental rights and the imposition of forced labour, this raises the question why the report on which we have just voted devotes so little attention to the protection of victims, of those who are traded. That would surely be the best way to go about eradicating abuses such as traffic in human beings.

At this point, the report says that terrorism is also to be found in the context of illegal trafficking in drugs and arms. I have already said something on the subject of drugs; as for arms, I believe trafficking in arms is illegal but, what is far worse, it is immoral. Quite simply, the question is whether this immorality only applies to illegal arms trafficking. Does it not, in fact, extend to the legal arms trade? Is it not terrorism when civilians are attacked by NATO bombers and killed or made to suffer for the rest of their lives? There are people who resist, who take action, such as civil disobedience. They know very

well that such action is illegal. Whether it is a crime is another matter. The report refers to corruption and fraud; many people are sick of government corruption and fraud and decide to do something about it, and we are supposed to construe that here as terrorism. If the House does not even accept the Greens' amendment that seeks to establish fundamental human rights as a common minimum level of protection for everyone in the EU, the proposed recommendation must be rejected for the sake of those same fundamental rights.

3-053
Angelilli (UEN). – *(IT)* Madam President, I would like to start by thanking the rapporteur for his work on the extremely serious, topical issue of terrorism, which has recently been spreading with appalling, renewed vigour.

We may have been deluding ourselves in thinking we had banished this scourge which had stained Europe with blood for so long. It may be that contemporary terrorism is more difficult to fight because it is less ideological and more sensationalist, because it is not based on political ideals but purely on violence, with precisely the aim of destabilising the institutions and terrorising the public.

What, then, should be Parliament's role? On the one hand, Parliament must certainly address the causes of that social and cultural malaise and distress which clearly lead to terrorism, but, most importantly, it must endeavour in some way to prevent the emergence of terrorist groups, to anticipate it and to identify the first signs as soon as they appear.

There are so many resources available to us: so many data banks, so many police resources and so much legislation, and yet, all too often, when faced with the emergence or transformation of large-scale criminal phenomena such as those related to drugs, crimes against children, the trafficking and exploitation of human beings and, of course, terrorism, Parliament continues to be taken by surprise and ends up arriving too late, incapable of defining effective preventive actions.

This was the case of those violent groups, many of them in contact with terrorist organisations, who infiltrated the peaceful, legitimate anti-globalisation movements. I therefore look forward to the measures envisaged in the report to contain the spread of terrorism, particularly the European search and arrest warrant and the abolition of the formal extradition procedure.

I would like to end, Madam President, by saying that – to give just one example – there are still Italian citizens who used to be part of the Red Brigades and have been condemned as guilty of terrorist homicide for almost 20 years now, who have been in hiding for that entire period as the guests of other European States, despite repeated applications for their extradition.

3-054
Bigliardo (TDI). – *(IT)* Madam President, ladies and gentlemen, I listened with great attention to Mr Watson as he spoke about his report. I support the report for the most part, although I do wonder – as we often ask ourselves – what exactly terrorism is. During the debate, we talked about the need to define the nature of terrorism today. In my view, the measure discussed in the report deals with European terrorism, not just that despicable method which – I regret to say – is developing in present-day Spain, for if we can call that method despicable then we must see the methods used in other European countries by movements with much more dubious aims as just as contemptible.

Italy has suffered a terrible period in which we witnessed the murder of activists in their offices, the murder of young people in the squares and children burned alive in their homes, in the name of an ideology which ultimately led to the murder of the government adviser, Mr D'Antona, and which often leads, in practice, as happened in this case, to the death of young people during demonstrations which result in blind violence which has nothing to do with opposition to the globalisation of the markets.

Therefore, I look forward to a coordinated policy of all the European States which excludes the abominable special laws which proved to be genuine tools of political persecution when it was a case of striking one party and then tools of political protection when it was a case of protecting others, as Mrs Angelilli said just now. I look forward to the introduction of the European search and arrest warrant, but let it be genuinely established now. Let the governments be called upon to incorporate the measures into their legal systems and to ensure that, as of the next few months, we no longer witness events in our squares such as those which took place in Genoa a few days ago.

3-055
Sichrovsky (NI). – *(DE)* Madam President, the report describes very graphically the dangers of terrorism in both its old and new forms and the threat it poses as well as the powerlessness of Europe's traditional institutions in the face of the terrorist threat. If I may take the liberty to contest perhaps only one point, the threat of terrorism really has nothing to do with a democratic society – even though such societies are often the target of terrorist activity – but is a far more pervasive threat against all people, whatever the political conditions in which they live.

That is why it is so difficult, and perhaps not even so important, to define the concept of terrorism more precisely. Maybe we should rather do as the report suggests and proceed from a definition of terrorist acts which focuses on the threat they pose to individuals and groups of people. Agreement at European level is the prerequisite for more effectively coordinated action, and the acceleration of extradition processes, which the report proposes, is certainly important too.

The principle enunciated in Article 29 of the Treaty on European Union, which calls terrorism a form of international crime, must be binding on all EU Member States, whose political representatives of particular ideological persuasions defend acts of violence inside or outside the EU as justifiable. I recall the discussions on the Middle East conflict, when some of our colleagues were suddenly able to sympathise with terrorist activities on one side or the other, although these were quite simply death squad operations and attacks on the civilian population.

Besides the organisational requirement, namely cooperation between the responsible institutions, the political will to combat terrorist activities is also essential. There is never any justification for threatening an innocent person.

3-056
Hernández Mollar (PPE-DE). – *(ES)* Madam President, if something characterises the production of this report on terrorism, it has not just been the rigour and know-how of the rapporteur, Mr Watson, whom I would expressly like to congratulate, but also the willingness and understanding of almost all the political groups in this House to reflect not only their rejection and condemnation of terrorism, the people involved in it and the methods it uses, but also to reach a consensus on the legal instruments which we must create at European level in order to combat and pursue the crimes involved in terrorist activity and organised crime.

We can state unreservedly, without any doubt – at least on my part – that the approval of this report would represent a European pact against terrorism. Because, for the people of Europe, violence and terror are absolutely incompatible with democracy, dialogue and the rules of the game which the democratic States have set ourselves in order to live together in peace and, in particular, in order to resolve absolutely every – and I stress, absolutely every – one of our problems and differences of whatever nature.

Nationalist or independence movements that use terrorist organisations such as ETA in Spain as decoys are only really hiding the reality of their trade whose only objective is to spread terror, destabilise democracy and indiscriminately murder children, young people and adults of any trade or profession.

Another argument endorsed by this report is the urgent need to update the legal instruments which a new area without borders, such as the European Union, must have so that it is not easier for the violent people and terrorist groups to carry out their criminal acts than it is for the police and judges to pursue and punish them. Because, Madam President, Commissioner, it is contradictory that there should be barriers and borders for judges and police while, for example, criminal groups organise themselves in one country of the European Union, carry out attacks in another and then return to shelter under legislation that is obsolete and incompatible with a common area of freedom, security and justice. Hence the need for the four recommendations, which are the backbone of the report.

It is true that Spain and its government are particularly interested in what we resolve here today, but so should other countries such as France, Belgium, Italy or the United Kingdom or the other countries of the Union, because the roots of terrorism are in violence, its funding, the technological means it employs and the recruitment of young people who are trained, with money and hatred, to kill. And this is a problem, ladies and gentlemen, which transcends the borders of the European Union.

Madam President, we are moving in the right direction. I must insist once again on the urgency of the proposals and the urgent need for us to continue truly creating a new area where there is only room and freedom of movement for those of us who want to live in peace and freedom.

Commissioner Vitorino has the political support of this House. We genuinely await his proposals with great interest.

3-057
Marinho (PSE). – *(PT)* Madam President, for reasons that are sometimes hard to admit, Europe is helpless in the face of terrorism. Most Member States have no anti-terrorist legislation, prison sentences vary from State to State and the tracking of criminals outside the territory in which a crime is committed is only possible – when it is at all possible – by means of the extradition mechanism, which is always subject to the limitations of the reciprocity and constitutionality of each Member State.

Terrorism in Europe, consequently, slips through the net. Fortunately, the Treaty of Amsterdam, the Tampere Council and our own Commissioner António Vitorino have brought about changes in judicial cooperation in Europe. For this purpose, in this excellent report by Mr Watson, the European Parliament recommends that the Council lay down minimum rules for a definition of the constituent elements of the crime and its sanctions, replacing extradition with the principle of the mutual

recognition of judgments, the definition of a European search and arrest warrant that does not allow criminals to laugh at the courts and the police, and standards for harmonisation in the field of compensation.

Madam President, in addition to these penal and legal matters, we must also ensure that intellectual prejudices and outdated historical opinions do not continue to portray terrorism in the heroic and romantic light of a fight for freedom. Freedom is guaranteed in constitutional States, which, today, all Member States of the European Community, fortunately, are. François Mitterand taught us that nationalism is war and we are today seeing, very close to us and right under our eyes, in the name of various cultures, languages, regionalisms and religions, murders, deaths and violence that Europe cannot tolerate. Europe must either trust in its values or become diluted in their opposites. Terrorism is the main weapon of madness and of ethnic, religious or cultural fanaticism. It is the opposite of freedom and of life. Let us rid Europe of it, with the full might and power of the law.

(Applause)

3-058

IN THE CHAIR: MR PODESTÀ
Vice-President

3-059
Ortuondo Larrea (Verts/ALE). – *(ES)* Mr President, I belong to and represent the Basque Nationalist Party, the party which has been governing the Basque Country uninterruptedly for more than twenty years. It is a party which, while calling for an independent personality, sovereignty and a right to self-determination for the Basque people, nevertheless firmly rejects and condemns the use of violence and terror as instruments to achieve any political objective and, even more, condemns the unacceptable State terrorism, which we Basques have also suffered, perpetrated by the apparatus of the Spanish State.

Our society and Spanish society clearly have a special sensitivity in relation to the issues dealt with by Mr Watson in his complex report on the role of the EU in the fight against terrorism and, in general terms, we agree with the content of the report and also with the amendments presented by the Confederal Group of the United European Left/Nordic Green Left and my own from the Greens/European Free Alliance.

Northern Ireland was lucky enough to enjoy the decisive support of US Senator Mitchell, which led to the Good Friday agreements and a genuine peace process, despite the ups and downs that it is suffering along the way.

How long will we Basques have to wait for Europe to realise that peace is in its hands, that it must stimulate, promote and oversee a sincere and democratic dialogue between the opposing sides? That would be the best recipe the European Parliament could recommend against terrorism and in order to achieve peace.

I particularly value Recital O of the report, which makes it very clear that democratic dialogue based on mutual respect and non-violence is the best means of resolving conflicts, thereby rectifying previous resolutions by this very European Parliament.

What I regret is that the attempt to reflect this same idea in the final recommendations has failed. I must, therefore, consider this document to be incomplete and insufficient. However, despite this insufficiency and having reflected on it, I am going to vote in favour of the Watson report in order to give an opportunity to Recital O, that is to say, to democratic dialogue as a means for resolving our conflict.

3-060
Gorostiaga Atxalandabaso (NI). – Mr President, it has been a very happy coincidence for the sake of democracy to have had the previous debate on the Echelon network.

The hypocritical position of the Member States on the violation of citizens' rights that has been underlined by various speakers can help us in our analysis of the report on terrorism. The report, very regrettably, ignores state terrorism. But what is even more regrettable is the fact that there are no specific recommendations to foster measures that could implement political dialogue for resolution of conflicts.

Despite that, this House will most probably accept this report. Then it will be for you, Commissioner Vitorino, to propose a text that you have already negotiated, mainly with the Spanish and French authorities.

On Monday I mentioned the victims of the Spanish dirty war. Let me now recall the memory of the journalist, Fernando Pereira. As you know, he was killed by the action of the French secret service against Greenpeace.

3-061
Pirker (PPE-DE). – *(DE)* Mr President, Commissioner, ladies and gentlemen, if we succeed in adopting these recommendations to the Council by a large majority here in the European Parliament, we shall not only have sent out a

signal; we shall also have taken absolutely decisive action against the cynical, murderous and anti-democratic terrorism that has been rearing its ugly head most conspicuously in Spain but in other European countries too.

The aims of this package which Mr Watson has proposed, range from harmonisation of laws and regulations to improvement of judicial assistance, from the creation of a European search and arrest warrant to provision for the compensation of victims, and the Member States of the European Union should not only use it to combat the familiar forms of terrorism but should also apply it against the new forms of terror to which we were introduced at the last summit meeting and which I fear will resurface at similar events in the future.

The debate on these new forms of terrorism has left a lot to be desired. There has been no discussion about the safety of the innocent people who have been exposed to acts of violence, nor has there been any discussion about protecting property from destruction by violent activists and those who are incited to violence, about the police officers who have been seriously wounded or about either the compensation of victims or international police cooperation. Too little has also been said about the background, about the sources from which these terrorists draw their support and their funding and about the political orchestrators of terrorist activities. It has been a diluted discussion.

This terrorism that is threatening to sprout up again here, however, is increasingly international and global in character; its perpetrators are not truly engaged in the globalisation debate that needs to be pursued but are merely using the debate as a vehicle for acts of terror against governments, against state institutions – in short, against our democratic system. I therefore expect us to confront terrorism in both its old and new forms with the utmost vigour for the sake of the people, the security and the stability of our countries, to press our case uncompromisingly within the European Union, being ever mindful of those who have already fallen victim to this terrorism. I ask you all to give your overwhelming support to this excellently prepared package of measures, not only for the sake of Spain but also in the interests of Europe, its stability and the security of its people.

(Applause)

3-062
Ceyhun (PSE). – *(DE)* Mr President, I am sure we all agree that terrorism is one of the most critical challenges our society has to face. It is a global phenomenon, with cells operating throughout the world. It can therefore only be effectively combated internationally. Fighting terrorism also means defending human rights and democracy. The cowardly terrorist attacks and murders we have seen recently, which have been at their most virulent in Spain, testify to the need to intensify European anti-terrorist cooperation.

International terrorism, which draws support from many a dictator or Islamic fundamentalist regime, cannot be effectively combated in the European Union unless the competent national authorities cooperate with each other. Our House also bears responsibility in this respect; to exercise this responsibility, we must nail our colours to the mast by adopting this report on the role of the Union in combating terrorism and making it clear that we are unanimously committed to the fight against terrorist activity. I wish to thank the rapporteur for his outstanding work towards this goal. Our proposals are intended to create the conditions for effective European cooperation among the Member States in order to put an end to the murders committed by terrorist organisations such as ETA in Spain.

3-063
Paisley (NI). – Mr President, terrorism is the destruction of democracy. There can be no successful dialogue with criminal terrorism for it is a lie incarnate. Releasing terrorist prisoners and seeking to buy them off with places in rigged government is exalting terrorism and not eliminating it. Northern Ireland is an example, with all terrorist prisoners from both sides released while not one murder weapon has been decommissioned by either side.

The tormented victims of brutal terrorism are largely forgotten. I welcome this report's action call on this issue to look after the interests of these tormented victims and its emphasis on the immediate need to ensure that there is no sanctuary for terrorism in this European Union. Action on that is imperative.

3-064
Andrews (UEN). – Mr President, this report is of the utmost importance to the citizens of Europe. This report should receive the widest possible dissemination throughout the Community. It is a complex and difficult report that should impact clearly on each and every citizen, so that they can understand precisely what Parliament is trying to accomplish on their behalf. It does credit to the Chairman of the Committee on Citizens' Freedoms and Rights, Justice and Home Affairs, Mr Watson. We will be voting in favour but, nonetheless, we will do so with reservations on many of the paragraphs and recommendations. No doubt we will revisit the subject after consultation with our national parliaments and citizens' groups.

We must define exactly and precisely what we mean by terrorism. We must not confuse terrorism with peaceful protests, with legal and lawful protests by the citizen. There are a number of paragraphs that we have reservations about but, despite

these reservations which we will probably revisit in subsequent discussions and debates on the issue, we will be voting in favour of this. I congratulate Mr Watson and all concerned in putting together this report.

3-065
Karamanou (PSE). – *(EL)* Mr President, Mr Watson's report confirms that the European Union is powerless and has painted itself into a corner in its fight against the ever-increasing phenomenon of terrorism. It is powerless both because terrorism has changed shape and is now backed up by modern technology and funds and because there is little judicial and police collaboration on the part of the Member States and no common legislative framework.

In Greece, a new anti-terrorism law was passed in May 2001 in a bid to systemise and up the ante in the fight against terrorism without violating fundamental rights and the principles of the rule of law. However, combating terrorism, be it in Greece or Spain, is a matter for the European Union as a whole. The Charter of Fundamental Rights should be used as a reference point for any new initiative. In other words, under no circumstances should increased criminal activities by terrorist groups be used as an alibi, be it at national or European level, for taking measures which are incompatible with the rule of law and democratic principles.

However, in the case of terrorist offences, the Council should immediately abolish formal extradition procedures and adopt the principle of mutual recognition of decisions on criminal matters, including pre-judgment decisions, as proposed in the report. In addition to these measures, it also makes a great deal of sense to prevent terrorism through education, social and other policies to encourage citizens, especially young people, to value dialogue and reject all forms of violence.

3-066
Nicholson (PPE-DE). – Mr President, may I first of all take the opportunity to congratulate Mr Watson on the preparation of this report. It is a very balanced and very good report.

Terrorism has been a major problem in the Western world and in Europe it has been prevalent certainly since the Second World War. It has been proved that a dedicated few can hold a majority to ransom. We have to face up to the fact that there has not been full cooperation between Member States. We in Northern Ireland have experienced that very painfully over the past 30 years.

If terrorists have a safe haven they will continue to flourish because they have somewhere to retreat to. We must end safe havens. I have some reservations, in that if you abolish extradition what you put in its place may not be effective. If we do abolish extradition, whatever replaces it must work and must be seen to work, especially between Member States.

The Member States must be free to protect their citizens. I believe it is the duty of every Member State government to protect the innocent, not the perpetrators of violence. There must be maximum cooperation to achieve this.

We also see terrorist cooperation throughout the world. The recent arrest of three IRA activists in Columbia brings home very clearly how widespread terrorism is throughout the world and how terrorists cooperate in the development of new and better weapons.

We also have to recognise that many terrorist organisations are involved in racketeering, drug smuggling and many other forms of normal criminal activity. They use certain words and pseudonyms. They threaten the communities in which they live.

We have to recognise the victims. There must be mutual recognition. No one has the right to murder in the attempt to achieve a political objective. We must also remember it is easy to terrorise: I have experience of this. But believe you me, it is much more difficult to build peace after the terrorism.

3-067
Cerdeira Morterero (PSE). – *(ES)* Mr President, terrorist acts are intended to weaken democracy and the fundamental values on which Europe is being built. It is therefore necessary – and this is what we have understood – the strengthen the fight against terrorism and create mechanisms and initiatives which strengthen cooperation between the Member States, bearing in mind, furthermore, the intensification of terrorist actions within the European Union. Also, the Member States must promote a commitment to rejecting any form of violence among their young people.

Of the four main recommendations in this report (the definition of the crime of terrorism and applicable penalties, removal of the formal extradition procedure, the application of the principle of mutual recognition of criminal judgments and the European search and arrest warrant), I wanted to specifically highlight the last one relating to compensation for the victims of terrorism which, perhaps, has been the one least mentioned by other Members. In this respect, I wish to highlight the fact that this House already adopted, on 24 November 2000, a report for which I had the honour of being rapporteur, which determined, for the first time, the definition of victims and their role in the judicial process.

Lastly, I would like to stress that, if we are capable of implementing the recommendations of this report, we will have taken a very significant step in developing the European area of freedom, security and justice.

3-068
Pomés Ruiz (PPE-DE). – *(ES)* Mr President, I would like to begin by thanking Mr Watson for his work, laying out the role the European Union must play in the fight against terrorism.

I would also like to thank the President of Parliament, Nicole Fontaine, for her personal attitude on opening this sitting in greeting the family of a victim of terrorism, the Councillor from the Union of the Navarrese People, José Javier Múgica, whose widow and three children were present in the Chamber and who have asked me to pass on their thanks to the whole House and to its President.

This Parliament has managed to become a torchbearer in the European fight against terrorism. It was the first Chamber to produce a recommendation in writing that it was necessary to politically isolate political parties which do not condemn terrorism.

And it has been this Parliament which has managed to gather more than 400 signatures of Members of this House in a public commitment to combat the terrorism of ETA.

We are now discussing the Watson report, and in this regard I would like to stress the need for the Union to have a European search and arrest warrant which replaces the formal extradition procedure for terrorist crimes as soon as possible.

Because terrorism, and specifically the terrorism of ETA, affects all the citizens of Europe, not only the victims, but even Members of this House. I regret that Mrs Dührkop is not present due to illness. She could have told us of how ETA deprived her of her husband, Senator Casas. My own wife and family have also been subject to three attacks, which cost the life of a policeman. And other Members could also speak of their suffering.

Spain and other places in Europe suffer terrorism. We are not going to indulge in theorising, because we are aware that, as the Watson report proposes, we have to oblige the Member States to finally reach an agreement, because terrorism represents the greatest violation of human rights suffered by the European people.

3-069
Santini (PPE-DE). – *(IT)* Mr President, ladies and gentlemen, I would like to stress the very practical, realistic and topical nature of this report. Indeed, as well as violent terrorism, it talks about a less explosive, very widespread terrorism operating under cover of political groupings whose objective is clearly to fight against democratic systems. Recitals E, F and G make this clear, stressing that terrorism is on the increase in almost all the European countries and that the nature of terrorism is changing radically, but that there are also, according to recital G, in particular, international networks enjoying strong – as the recital says – logistical and financial support. Well then, that is precisely what happened in Genoa during the G8 period. International terrorist organisations used the Black Blocks to exploit genuinely peaceful organisations, working under cover of groups purporting to be non-violent and their complicitous leaders, who were supported in turn by the parties of the Italian and European left, which even lent them the platform of the European Parliament yesterday to hurl frenzied abuse at the Italian government and against the values of democracy and respect for people's ideals, values which Parliament supports and develops. This too, Mr President, ladies and gentlemen, is terrorism: it may be less potent but it is still effective.

Recital M and recommendation No 3 state this explicitly, and Amendment No 2, tabled by the Confederal Group of the European United Left/Nordic Green Left, is also negative evidence of this for, if it were to be adopted, this amendment would have Parliament believe that where the democratic and Constitutional structure of a country is working properly there is no terrorism. Well then, following this reasoning, we could cheerfully label Spain, Ireland and maybe even Italy as undemocratic countries with dysfunctional Constitutions, whereas their governments are the victims of terrorism, Mr President, ladies and gentlemen, and cannot be held accountable for it. This too is a form of terrorism.

3-070
Coelho (PPE-DE). – *(PT)* Mr President, Commissioner, ladies and gentlemen, I too should like to begin by congratulating Mr Watson on the excellent report he has presented us. He is right to emphasise the need for effective, clear and rapid measures to prevent and combat all acts of terrorism whatever form they may take and whatever they may be trying to achieve. We reject and condemn all terrorist acts, which are unacceptable because of the blind violence that characterises them and which mainly affect innocent citizens. We know that terrorism is one of the most terrible challenges facing our societies.

Over the last ten years, the European Union has seen an increase in the number of violent and terrorist acts. This increase demonstrates that traditional methods of judicial and police cooperation are inadequate, particularly if we take account of the fact that new forms of terrorism are continually arising, such as computer or environmental terrorism. We also know

that these acts increasingly stem from the activity of international organised networks, which manage to exploit the various legal loopholes and the diversity of national legislation. It is deplorable that most Member States do not have specific legislation in this field. Only six Member States, including Portugal, have specific legislation and out of these six, only four, again including Portugal, have adopted a definition of the concept of terrorism in their legislation.

By adopting the principle of solidarity in the fight against terrorism, the Treaty of Amsterdam has opened up new possibilities for coordinated action by the European Union. With the commitments given in Tampere, terrorism has become an integral part of the global approach to fighting crime. The report we are now debating warrants our support, particularly because it advocates the approximation and harmonisation of the legislation of the fifteen Member States.

3-071
Méndez de Vigo (PPE-DE). – *(ES)* Mr President, being the penultimate speaker – Commissioner Vitorino has the honour of closing the debate – exempts me from expressing many considerations which have been expressed by previous speakers, and they have done so very well.

I am only going to make two points. One of them is addressed to those Members who have said that what we are voting on today, this arrest warrant, replaces extradition; that is not the case at all; it accompanies extradition for certain crimes which are particularly odious, such as a terrorist crime, precisely so that the European Union may become more efficient.

And I am going to make my second point, Mr President. I believe that if we look back to 1992 when this Parliament voted in favour of the Maastricht Treaty, we will see that there were considerable gaps in the issues of justice and internal affairs within the third pillar. It was a great innovation that the European Union was going to deal with issues which had always been at the heart of the Member States. Very little time has passed since then, practically seven years, since Maastricht entered into force, and nevertheless, what progress has been made! Progress has not just been made in terms of European solidarity on a specific problem, the terrorism of ETA, which is extraordinarily important and which is of fundamental importance politically; but progress has also been made in the construction of Europe. This is the way to move forward together in Europe and to deal with the real concerns of the citizens, as has been said here.

Therefore, as well as expressing gratitude for European solidarity, I would like to say that this Watson report – and I would like to congratulate the rapporteur, who has made great efforts – also represents a very important milestone on this journey which we, including all of us here in this European Parliament, are making together in the construction of Europe.

3-072
Vitorino, *Commission*. – *(PT)* Mr President, ladies and gentlemen, underpinning the European Union and its Member States is the respect for human rights and fundamental freedoms, the guarantee of human dignity and the protection of individuals and institutions enshrined in the European Union Charter of Fundamental Rights.

All of these rights can be breached by acts of terrorism. In a completely democratic setting, such as we have in the Union and in its Member States, terrorist acts can never be justified, irrespective of where they are carried out or their aim. Acts of terrorism must never be considered to be political crimes or as crimes connected with, or inspired by, political motives. Terrorism must never be considered to be a way of solving a problem facing an individual or a group, regardless of its nature.

Over the last few years, Europe has seen an increase in terrorist activity within its borders, characterised by a profound change in the nature of the acts carried out. The actual or potential impact of armed attacks has become increasingly destructive and lethal as a consequence of technological changes taking place in the arms and explosives sector. New forms of terrorism are emerging as a result of the on-going and rapid development of information technologies, electronic databases and computer equipment.

Terrorists are able to exploit differences between the legal systems of various Member States and the difficulties in extraditing such people, especially when such an act is not covered by law in a given State. This aspect illustrates, as has been said several times during the debate, the inadequacy of traditional forms of judicial and police cooperation in combating terrorism. There is, therefore, a greater need today than ever before to adopt measures to fight terrorism by drafting legislative proposals designed to punish such acts.

The institutions of the European Union, in particular the European Parliament, the Commission and the Council, have continually condemned terrorism at a political level. Unfortunately, we have been called upon unusually frequently to state this position as a result of the terrorist actions of ETA in Spain. Our solidarity with the Spanish people and especially with the victims of terrorism in Spain is unequivocal and unceasing. We must build on this solidarity with more effective actions. This is why Article 29 of the Treaty of Amsterdam refers specifically to common action in three areas: closer cooperation between police forces, customs agencies and other competent authorities, including Europol, closer cooperation between Member States' judicial authorities and approximation, where necessary, of criminal law provisions. Under Article 2 of the Europol Convention, terrorism falls within the competence of Europol.

Pursuant to Article 31(b) of the Treaty establishing the European Union and the Tampere conclusions, which states that formal extradition procedures between Member States will be abolished for individuals trying to escape justice, to be replaced by a simple transfer, the Commission has already announced its intention to present an initiative designed to abolish formal extradition procedures between Member States for certain types of crime and to create a 'European search and arrest warrant'. The purpose is to combat not only terrorism but also other heinous transnational crimes. Similarly, the Commission intends to propose an approximation of criminal legislation on acts of terrorism, pursuant to Article 31(e) of the Treaty establishing European Union, not only covering traditional forms of terrorism, but also its newer incarnations. Lastly, the act of directing, promoting, supporting or belonging to a terrorist organisation must also be subject to a common standard. The Commission shares Parliament's concerns with regard to protecting the victims of terrorism and intends to present, in the course of the current presidency, a Green Paper on compensating victims of crime in general and of terrorist crime in particular within the European Union.

Madam President, ladies and gentlemen, in conclusion, the Commission agrees with the principles set out in the excellent report by Mr Watson, whom I wish to warmly congratulate, and with the guidelines contained in the draft recommendation that Parliament is considering today. Following the work that we have been carrying out over the last few months, in close consultation with all Member States – and I must emphasise, with all Member States and not just with some – the Commission intends to propose to Parliament and to Council, in September, legislative initiatives on harmonising the definition of terrorism, on adopting the European search and arrest warrant and on replacing extradition procedures with rapid handover mechanisms for certain types of crime, including terrorism, thereby, I am sure, fully complying with the requests made in your draft recommendation.

(*Applause*)

3-073
President. – Thank you, Commissioner Vitorino.

The debate is closed.

The vote will take place at 12 noon.

3-074

IN THE CHAIR: MRS FONTAINE
President

3-075
Barón Crespo (PSE). – *(ES)* Madam President, as well as thanking the Commissioner for what he has just said, I would like to ask the presidency, in order to reinforce the gesture we have made by means of this debate, to allow us to vote on the Watson report first, not last, as is currently planned.

3-076
President. – Mr Barón Crespo, given the applause, I think that the House fully agrees with this proposal and, since there are no objections, we shall begin voting with the vote on the Watson report.

3-077

Welcome

3-078
President. – On behalf of the European Parliament, I would like to welcome the Transport Committee of the Swedish Parliament to the public gallery. The Committee is led by its chairperson, Mrs Monica Öhman.

(Applause)

I would like to say that we are very pleased to welcome the Transport Committee members, who represent the five political parties of the Swedish Parliament, and who are here to meet their counterparts in the Committee on Regional Policy, Transport and Tourism.

Ladies and gentlemen, we hope that you have a pleasant and productive visit.

3-079
Nogueira Román (Verts/ALE). – *(ES)* Madam President, I must insist on an issue which I have raised several times during these points of order. Since the last part session in this Parliament, thirty people from Africa have died on Spanish beaches trying to find work in Europe.

During this same period, another 2 800 have been detained and I believe it is now time, Madam President, for this Parliament to deal with this very fundamental problem which should make us all ashamed and which requires this Parliament's action.

3-080

VOTE

3-081

Report (A5-0273/2001) by Mr Watson, on behalf of the Committee on Citizens' Freedoms and Rights, Justice and Home Affairs, on the role of the European Union in combating terrorism (2001/2016(INI)).

Before the vote:

3-082

Maes (Verts/ALE). – *(NL)* Madam President, Recital M evidently refers to the definition which the Council of Europe gives for the term 'terrorist act'. In fact, reference to this definition is also made further down in that report. I should like to ask whether the Dutch text of Recital M could be brought completely into line with this definition. The Dutch text should read: "...en die leiden tot streven naar...", and not only: "...die leiden...", because there is no link between the violence and the pursuit at the moment, and it is clear that the Council of Europe did intend this link in the definition.

3-083

President. – Of course, Mrs Maes, I can assure you that we take great care that all the language versions are in line, as it is very important to respect what is meant.

3-084

(Parliament adopted the recommendation)

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3-085

- Simplified procedure – Procedure without report

Proposal for a European Parliament and Council regulation amending Regulation (EC) No 685/2001 of the European Parliament and of the Council of 4 April 2001 in order to provide for the distribution of authorisations among Member States received through the Agreement between the European Community and Romania establishing certain conditions for the carriage of goods by road and the promotion of combined transport (COM (2001) 334 – C5-0273/2001 –2001/0138(COD))

(Parliament approved the Commission proposal)

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Recommendation without debate (A5-0268/2001) by Mr Hatzidakis, on behalf of the Committee on Regional Policy, Transport and Tourism, on the proposal for a Council decision concerning the conclusion of the Agreement between the European Community and Romania establishing certain conditions for the carriage of goods by road and the promotion of combined transport (8010/1/2001 – C5-0317/2001 – 2001/0032(AVC))

(Parliament adopted the legislative resolution)

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Report (A5-0281/2001) by Mr Ruffolo, on behalf of the Committee on Culture, Youth, Education, the Media and Sport, on Cultural Cooperation in the European Union (2000/2323(INI))

(Parliament adopted the resolution)

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Report (A5-0279/2001) by Mr Schmitt, on behalf of the Committee on Regional Policy, Transport and Tourism, on the proposal for a European Parliament and Council regulation on establishing common rules in the field of civil aviation and creating a European Aviation Safety Agency (COM (2000) 95 – C5-0663/2000 – 2000/0246(COD))

(Parliament adopted the legislative resolution)

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Report (A5-0266/2001) by Mr Swoboda, on behalf of the Committee on Regional Policy, Transport and Tourism, on the proposal for a European Parliament and Council regulation amending Protocol No 9 to the Act of Accession

of Austria, Finland and Sweden as regards the system of ecopoints for heavy goods vehicles transiting through Austria (COM (2000) 862 – C5-0769/2000 – 2000/0361(COD))

(Parliament adopted the legislative resolution)

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Motion for a resolution (B5-0538/2001) by Mr Brok, on behalf of the Committee on Foreign Affairs, Human Rights, Common Security and Defence Policy, on Enlargement of the European Union

3-086
(Parliament adopted the resolution)

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Report (A5-0251/2001) by Mrs Carlsson, on behalf of the Committee on Foreign Affairs, Human Rights, Common Security and Defence Policy, on Estonia's application for membership of the European Union and the state of negotiations [COM (2000)704 – C5-0604/2000 – 1997/2177(COS)]

(Parliament adopted the resolution)

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Report (A5-0252/2001) by Mrs Schroedter, on behalf of the Committee on Foreign Affairs, Human Rights, Common Security and Defence Policy, on Latvia's application for membership of the European Union and the state of negotiations [COM(2000)706 – C5-0606/2000 – 1997/2176(COS)]

(Parliament adopted the resolution)

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Report (A5-0253/2001) by Mr Souladakis, on behalf of the Committee on Foreign Affairs, Human Rights, Common Security and Defence Policy, on Lithuania's application for membership of the European Union and the state of negotiations [COM(2000)707 – C5-0607/2000 – 1997/2178(COS)]

(Parliament adopted the resolution)

***

Report (A5-0254/2001) by Mr Gawronski, on behalf of the Committee on Foreign Affairs, Human Rights, Common Security and Defence Policy, on Poland's application for membership of the European Union and the state of negotiations [COM(2000)709 – C5-0609/2000 – 1997/2174(COS)]

- *Before the vote on Amendment No 2 by the Group of the Greens*

3-087
Graefe zu Baringdorf (Verts/ALE). – *(DE)* Madam President, I had to wait to see whether the amendment proposed by the Liberal Group was carried. We are now looking at Amendment No 2, which relates to the BSE risk in the candidate countries. This risk is only referred to in the report on Poland. This is why I have tabled an amendment referring to the fact that this risk is also present in other countries, because the wording would otherwise have amounted to discrimination against Poland. But I made a mistake: the amendment says 'in all other countries', but it should read 'in other countries'. There are different risk categories. Subject to that alteration, I recommend that the House adopt this amendment so as not to discriminate against Poland.

3-088
(Parliament agreed to take the oral amendment into account)

(Parliament adopted the resolution)

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Report (A5-0255/2001) by Mr Jürgen Schröder, on behalf of the Committee on Foreign Affairs, Human Rights, Common Security and Defence Policy, on the Czech Republic's application for membership of the European Union and the state of negotiations [COM(2000)703 – C5-0603/2000 – 1997/2180(COS)]

3-089
(Parliament adopted the resolution)

***

Report (A5-0256/2001) by Mr Wiersma, on behalf of the Committee on Foreign Affairs, Human Rights, Common Security and Defence Policy, on Slovakia's application for membership to the European Union and the state of negotiations [COM)(2000)711 – C5-0611/2000 – 1997/2173(COS)]

- *Before the vote*

3-090
Oostlander (PPE-DE). – *(NL)* Madam President, I should like to ask the House to approve an oral amendment to the Slovakia report, which reads as follows – in German:

3-091
(DE) 'bedauert, dass es nicht gelungen ist, einen Kompromiss im Hinblick auf die Neugliederung der Verwaltungsbezirke zu erreichen, der auch die Zustimmung der Vertreter der ungarischen Minderheit finden konnte' [regrets that it was not possible to reach a compromise over the rearrangement of administrative districts which was also acceptable to the representatives of the Hungarian minority].

3-092
(NL) Madam President, I am making this suggestion in order for it to gain broad approval. I have also discussed this matter with the rapporteur.

3-093
President. – Mr Oostlander, is this amendment at the beginning of the report and could we vote on it now? Does it duplicate any other amendment?

3-094
Oostlander (PPE-DE). – *(NL)* That depends on the Group of the Greens. If they want to vote on their amendment first, then this amendment, which is a weaker version, could be voted on subsequently.

3-095
President. – In that case, I shall consult Mr Wiersma.

3-096
Wiersma (PSE), *rapporteur*. **–** Madam President, given the formulation of the amendment and given our concerns about the on-going discussion in Slovakia on regional decentralisation, we can support this amendment, also in the context of the knowledge that negotiations and talks are going on about the competences of these provinces. We all hope that the coalition government in Slovakia will find a solution to the overall package of regional decentralisation. In that framework, as rapporteur, I support this amendment. I hope my group will follow my lead.

3-097
Schroedter (Verts/ALE). – *(DE)* Madam President, if I understood Mr Oostlander correctly, this relates to our Amendment No 3. We are prepared to withdraw it, and the text would then be worded in accordance with Mr Oostlander's oral formulation.

3-098
President. – Fine. I think this proposal is perfectly acceptable.

(The House agreed to take the oral amendment into account)

(Parliament adopted the resolution)

***

Report (A5-0257/2001) by Mr Queiró, on behalf of the Committee on Foreign Affairs, Human Rights, Common Security and Defence Policy, on Hungary's application for membership of the European Union and the state of negotiations [COM(2000)705 – C5-0605/2000 – 1997/2175(COS)]

(Parliament adopted the resolution)

***

Report (A5-0258/2001) by Mr Van Orden, on behalf of the Committee on Foreign Affairs, Human Rights, Common Security and Defence Policy, on the Commission's 2000 Regular Report on Bulgaria's progress towards accession [COM(2000)701 – C5-0601/2000 – 1997/2179(COS)]

(Parliament adopted the resolution)

***

Report (A5-0259/2001) by Baroness Nicholson of Winterbourne, on behalf of the Committee on Foreign Affairs, Human Rights, Common Security and Defence Policy, on Romania's application for membership of the European Union and the state of negotiations [COM(2000)710 – C5-0610/2000 – 1997/2172(COS)]

- *Before the vote*

3-099
Nicholson of Winterbourne (ELDR), *rapporteur*. – Madam President, I want to clarify my remarks of yesterday on my report to avoid any misunderstanding on inter-country adoption by Spanish families of Romanian children in the last ten years.

I can say categorically that the vast majority of these cases have been processed fully and properly by the Spanish authorities and by the families in question. Indeed I know that they have resulted in many happy outcomes, some of which are known to my Spanish colleagues here in Parliament.

I can add that the authorities in the European Union Member States have, of course, been acting with full propriety on this sensitive matter and that none have acted more rigorously than the Spanish authorities.

I am grateful to Spanish colleagues here for drawing this need for clarification to my attention and in particular to Mr Gil-Robles Gil-Delgado and Mr Salafranca Sánchez-Neyra. I look forward to continued fruitful cooperation with all of my Spanish colleagues in this Parliament in the future.

3-100
(Parliament adopted the resolution)

***

Report (A5-0260/2001) by Mr Volcic, on behalf of the Committee on Foreign Affairs, Human Rights, Common Security and Defence Policy, on Slovenia's application for membership of the European Union and the state of negotiations [COM(2000)712 – C5-0612/2000 – 1997/2181(COS)]

(Parliament adopted the resolution)

***

Report (A5-0261/2000) by Mr Poos, on behalf of the Committee on Foreign Affairs, Human Rights, Common Security and Defence Policy, on Cyprus's membership application to the European Union and the state of negotiations [COM(2000)702 – C5-0602/2000 – 1997/2171(COS)]

- *Before the vote on Amendment No 16 by the ELDR Group*

3-101
Van der Laan (ELDR). – *(NL)* Madam President, unlike Mr Wiersma, I will simply speak in Dutch. A minor error has crept into the nominal list, namely Amendment No 16 of the Liberals is identical to Amendment No 9 of the Group of the Greens. This is as we agreed. It therefore seems more practical to me if we combine the votes on these to avoid confusion.

3-102
President. – There are no objections from the Group of the Greens/European Free Alliance, so I shall put to the vote Amendment No 16, from the European Liberal, Democratic and Reformist Group and Amendment No 9, from the Group of the Greens. The rapporteur is also in favour of this.

- *Before the vote on Amendment No 5 by the Group of the Greens*

3-103
Frassoni (Verts/ALE). – Madam President, we would like to present an oral amendment to Amendment No 5. Instead of "triggered by unrest and acts of violence starting in the early sixties", we wish to replace the words "triggered by" with the words "which followed".

The intent of this oral amendment is just to clarify any misunderstanding that would justify the invasion by Turkey of Cyprus.

3-104
President. – Are there any objections to taking into consideration the oral amendment?

3-105
Poos (PSE), *rapporteur*. – *(FR)* Madam President, I must speak against taking this oral amendment into account. Everyone knows that Cyprus has a complicated history and that mistakes have been made on both sides. However, this report is not about history – it is a report on the progress made by Cyprus towards accession and, in my view, this amendment has no place in this report.

3-106
(The President took note that more than 12 Members rose to oppose taking the oral amendment into account)

(Parliament adopted the resolution)

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Report (A5-0262/2001) by Mrs Stenzel, on behalf of the Committee on Foreign Affairs, Human Rights, Common Security and Defence Policy, on Malta's application for membership of the European Union and the state of negotiations [COM(2000)708 – C5-0608/2000 – 1999/2029(COS)]

3-107
(Parliament adopted the resolution)

***

Report (A5-0249/2001) by Mr Collins, on behalf of the Committee on Regional Policy, Transport and Tourism, on the Commission communication to the European Parliament and the Council on the protection of air passengers in the European Union [COM(2000) 365 – C5-0635/2000 – 2000/2299(COS)]

(Parliament adopted the resolution)

***

Report (A5-0264/2001) by Mr Gerhard Schmid, on behalf of the Temporary Committee on the ECHELON Interception System, on the existence of a global system for the interception of private and commercial communications (ECHELON interception system) (2001/2098(INI))

3-108
Vattimo (PSE). – *(IT)* Madam President, when I was speaking on this report I got the numbers of the amendments which I wanted to be put to the vote wrong. The numbers of the amendments which I recommend should be put to the vote are Nos 16, 17, 18, 19 and 22. These are the numbers in the documents for the sitting.

3-109
(Parliament adopted the resolution)

EXPLANATIONS OF VOTE

3-110
- Watson Report (A5-0273/2001)

3-111
Banotti (PPE-DE). – Madam President, my group voted for the Watson report, which is an excellent and very comprehensive one. But it proposes very radical changes which can potentially pose problems for some of the Member States, particularly those in the front line of terrorism. Without a clear and mutually accepted definition of terrorism, states must be able to take whatever measures they deem appropriate to deal with these serious threats. However, this does not preclude the Member States from identifying those areas where there are difficulties in cooperation between Member States and finding ways to improve such cooperation.

Effective measures need to be introduced to prevent the formation and activities of violent groups in Europe and collaboration between such groups.

I commend Mr Watson on his report.

3-112
Gorostiaga Atxalandabaso (NI). – Madam President, I voted against this report because it makes no mention of state terrorism.

I consider that the European Parliament has closed its eyes to the fact that state terrorism is operating with impunity and that the European Union is rejecting the basic principles that we are supposed to fight for.

3-113
Fatuzzo (PPE-DE). – *(IT)* Madam President, I would especially like to thank you for your kindness in inviting the Members present to listen to my 17 – which are actually 16 – explanations of vote, apart from anything else because an anti-Fatuzzo amendment has been tabled in the document amending the Rules of Procedure, which seeks to limit the number of oral explanations of vote delivered during voting time to a maximum of three. I am therefore very pleased to accept your invitation to the Members to listen to Mr Fatuzzo's explanations of vote, the first of which today concerns the Watson report on the role of the European Union in combating terrorism.

The Pensioners' Party, in the person of myself, voted for the motion. It recommends that, in order to genuinely combat terrorism, absolute silence of the press and television in matters of terrorism should be established.

The terrorists want their crimes to be publicised and the media must refuse to satisfy them. Directives must be adopted which lay down absolute silence of the press and television where terrorist acts are concerned.

3-114
Ahern (Verts/ALE), *in writing*. – Extradition procedures between Member States cannot, in practice, be extinguished without common minimal standards for procedural law in order to guarantee fundamental rights. The rejection of the Verts/ALE amendment requiring that Member States reach such an agreement means that the report, which is serious and important, is fundamentally flawed. This is of such fundamental importance to European citizens that regrettably this has prevented me from voting in favour of this report.

3-115
Bordes, Cauquil and Laguiller (GUE/NGL), *in writing*. – *(FR)* We are opposed to terrorism on the grounds of the measures that it uses and also because those committing acts of terrorism often seek to impose an oppressive regime on their own people.

We are, however, disgusted by the hypocrisy of the report, which, despite criticising terrorist groups, dismisses state terrorism from its area of concern, where this type of terrorism is, or has been, carried out by states that call themselves democratic and which are now part of the European Union.

To take the case of France as an example, where army generals claim that acts of torture and assassinations perpetrated during the war against the Algerian people were to prevent them from freeing themselves from colonial oppression – is this not legitimising terrorism?

Or must we dismiss these disgraceful actions, albeit only by maintaining our silence, on the pretext that these acts of terrorism were committed openly, if not on the recommendations of the highest state authorities?

And how many acts of terrorism were committed by the United Kingdom in India or in Kenya before these countries were decolonised? How many acts of terrorism are being committed now by the United Kingdom in Sierra Leone?

The report makes no mention of state terrorism, which is as bad as the terrorism committed by smaller groups. On the other hand, however, the report is cynical enough to include 'extremist ideological conceptions' or 'intellectual assistance' in the list of areas to combat, which obviously opens the way to attacks on the freedom of opinion itself.

We therefore voted against this report.

3-116
Caudron (PSE), *in writing.* – *(FR)* I would like to express my support for this own-initiative report, which urges Member States of the European Union to be better coordinated in the fight against terrorist acts.

In recent years, there has been an increase in the number of terrorist activities within the European Union's borders and every Member State has been affected by these activities. Traditional forms of judicial and police cooperation are often found to be inadequate in combating this new form of terrorism, which stems from the activities of networks operating at international level, which are based in several countries and exploit legal loopholes arising from the geographical limits of investigations, sometimes enjoying extensive logistical and financial support. We must, of course, condemn these acts, which traumatise whole families and create a climate of terror in the areas that are particularly affected. More importantly, however, we must make firm proposals that seek to put an end to these despicable acts. This is the aim of the report, which contains some interesting proposals, such as:

– the creation of a 'European search and arrest warrant' with a view to combating terrorism in the context of action against crime, whether organised or not, trafficking in human beings and crimes against children, illegal trafficking in drugs and arms, and corruption and fraud,

– establishing minimum rules at European level relating to the definition of criminal acts and to penalties in the field of terrorism,

– abolishing formal extradition procedures and adopting the principle of mutual recognition of decisions on criminal matters relating to terrorist offences,

– adopting the appropriate legal instruments for the approximation of national legislation concerning the compensation of victims of terrorist crimes.

Like the rapporteur, I also believe it is essential to work on preventing terrorist acts. To achieve this, Member States must continue to conduct education and social policies that aim to combat all forms of social, economic and cultural exclusion. Poverty and a lack of education help to create a favourable hunting ground, which can be exploited by fundamentalists. We can no longer turn a blind eye to these acts, which threaten the democratic future of our societies.

3-117
Kirkhope (PPE-DE), *in writing*. – The British Conservatives voted in favour of the Watson report in order to send a message that we will give no quarter in the fight against terrorism, and particularly to show solidarity with our colleagues involved in the on-going fight against terrorists, notably ETA.

However, while the Conservatives have a long and proud record of fighting terrorism, our concerns about undue interference and politicisation in due legal process are equally long-standing. We are anxious that extending Community competence into this area will impair the ability of Member States to take those measures which they consider necessary to tackle this problem. We feel that it is premature to grant Europol far-reaching powers, and maintain our conviction that different national legal traditions mean that the way forward must be by cooperation, not harmonisation.

We will never, under any circumstances, give succour to those who seek to use force to undermine legitimate democratic institutions.

3-118
Korakas (GUE/NGL), *in writing*. – *(EL)* The positions taken in the Watson report on an initiative at EU level to combat terrorism seriously threaten to undermine grass-roots movements and democratic freedoms. The aim of this initiative, so the rapporteur says, is to ensure that all the Member States adopt minimum legal rules relating to the constituent elements of criminal acts and to penalties in the field of terrorism. The rapporteur considers beyond all doubt that the EU has achieved such a level of democratic operation that taking recourse to any method other than democratic dialogue or settling conflicts through the channels provided should be made a criminal offence. He calls on the Member States to take effective measures to prevent "violent" groups from forming or a "support framework for terrorists" from being created and maintained.

It is clear, I think, from the above that the sole purpose of this whole diatribe is to terrorise and subjugate anyone and everyone who opposes the violent attack unleashed by the global capitalist system, especially now that the Socialist system has been overturned. Using the pretext of justified opposition to the often suspicious motives behind personal terrorism, its purpose is to crush the new and successful mass uprising in Europe against the anti-grass roots policies and new imperialist order, as expressed at both national and European level (e.g. Nice, Gothenburg and, most importantly, Genoa), if possible as it arises.

The voices of European government officials equating demonstrators with criminals and terrorists are still ringing in our ears. The aim now is to further strengthen and harmonise the criminal arsenal available to the Member States for dealing with terrorism. It will not be long before demonstrations and any form of civil disobedience are banned and made criminal offences. The unanimous decision taken recently by the EU Council of Justice and Internal Affairs, which met immediately after the demonstrations in Gothenburg and just before the demonstrations in Genoa, points in this direction.

Surely the abolition of the right to congregate and the violent suppression of the mass demonstrations in Gothenburg and Genoa are acts of terrorism? Surely the two people killed by the Swedish and Italian state terrorists are the victims of terrorist action and deserve compensation? The Belgian Presidency has already started intensive preparations to take even more violent action against "street terrorists" in the run up to the demonstrations being planned to coincide with the Laeken Summit.

Greece is one of the countries which recently pushed through special legislation supposedly designed to fight terrorism and organised crime. This law, which was voted through by a couple of dozen MPs present in the house, constitutes a direct threat to the democratic freedoms which the Greek people have fought and died for; it abolishes fundamental rights and places civil and trade union action directly in the line of fire of government high-handedness. A broad spectrum of high-profile democrats, trades union and other social organisations has rallied against it.

It is for these reasons that the MEPs of the Communist Party of Greece voted against the report.

3-119
Lambert (Verts/ALE), *in writing*. – I regret that I found myself unable to support the request for Parliamentary unanimity on this report. As a Green, my preferred route is always non-violence and I believe there is absolutely no justification for violence as a means to change in a democratic state. Where the ballot box is an option, violence is not. I welcome the distinctions made in paragraph T in relation to third countries. My "no" vote should not be interpreted as support for terrorism but is based on one key factor.

This is the issue of mutual recognition of decisions on criminal matters. Unless there are agreed common minimum standards for procedural law, this should not go ahead. We cannot use the fight against terrorism to undermine the legal procedures and democratic safeguards which differ between Member States. Parliament chose not to adopt Amendment 1 which would have demanded these minimum standards.

I must also admit to an underlying unease about supporting a report which omits certain issues such as state terrorism, the proscription of certain organisations active in non-EU countries and the basis for such decisions and, indeed, the lack of a definition of "environmental terrorism".

However, the lack of a commitment to minimum legal safeguards is the deciding factor in my voting "no".

3-120
Nicholson (PPE-DE), *in writing*. **–** I decided to vote in favour of this reform although I have many reservations about the effect of some of the recommendations.

I do so in the hope that we will see meaningful cooperation between Member States in the eradication of violence and terrorism. Ulster Unionists have stood against violence for decades and will continue to do so in the future.

We see the globalisation of terrorists with the arrest in Columbia of three activists in the IRA. This brings home how widespread terrorism and the effects of terrorism have become.

3-121
- Ruffolo Report (A5-0281/2001)

3-122
Fatuzzo (PPE-DE). – *(IT)* Madam President, two weeks ago I was in Verona. I went to the Verona Arena to see a wonderful opera by Giuseppe Verdi, *La Traviata*. It was, I am sad to say, the first time I had ever seen an opera live, and it was so beautiful that I feel it is right to make it possible for the whole of Europe to enjoy these cultural products.

Therefore, I welcome reports such as Mr Ruffolo's report on cultural cooperation. Clearly, it is not just Italy which has cultural activities to share but the other 14 States of the European Union and the 12 candidate countries as well.

3-123
Alavanos (GUE/NGL), *in writing*. – *(EL)* The Ruffolo motion for a resolution on cultural cooperation in the European Union contains numerous positive proposals and proposed amendments to the original Commission proposal, such as:
- earmarking 1% of the gross budget for artistic and cultural works
- an annual Commission report on the European Union's cultural policy
- the three-year cultural cooperation plan
- setting up a European observatory for cultural cooperation
- converging VAT.

I should like to take this opportunity to point out that one of the main outstanding obstacles to cultural cooperation between the Fifteen is the fact that the Parthenon marbles have been appropriated by the British Museum. The European Parliament supported the return of the marbles to Greece when it officially adopted the Lomas written statement a few years ago. I think that we should take more action in this direction.

3-124
Bordes, Cauquil and Laguiller (GUE/NGL), *in writing*. – *(FR)* In its explanatory statement, the report calls on the Commission and Member States to show a greater commitment to culture. There is a reason for this, since the report also states that, in 2000, a mere 0.1% of the Community budget was earmarked for the cultural and audiovisual sectors.

What does the report mean, then, by the terms relating to 'European culture', which are constantly used by the authors? Apart from the fact that this expression itself is ambiguous, how does European culture differ from universal culture, which is rich with contributions from every continent?

In one of its recitals, the report includes sectors such as copyright, resale rights, liberalisation of the telecommunications market, international competition law (including funding of cinematographic works, resale price maintenance for books,

theatre subsidies and media concentration) in the context of culture. We claim that we are talking about culture when we are actually referring to markets, if not business!

On the other hand, the report does not raise any of the most basic questions. Is everyone living within the European Union guaranteed access to culture? Do they all have even a reasonable level of literacy? Were they all able to receive an education that suited their abilities?

These questions do not interest the European authorities, which are too preoccupied with regulating competition in the cultural business world.

We therefore voted against this report.

3-125
Caudron (PSE), *in writing*. – *(FR)* I welcome the fact that the European Parliament, the body that represents the aspirations of European citizens, has taken its right of initiative to urge the European Commission to propose firm measures in the area of culture.

Since 1974, the European Parliament has stressed the importance of developing a cultural policy at Community level, and for a good reason. Culture is a fundamental aspect of the European Union's identity. Culture is a basis which affords people the opportunity to meet, to relate to one another and experience a shared sense of belonging.

Of course, this does not involve putting forward a European cultural policy that seeks to impose uniformity. On the contrary, this involves emphasising cultural and linguistic diversity and the sharing of a common heritage.

At a time when our citizens are questioning Europe, we must work in order to enhance the feeling of European citizenship. This is a prerequisite for building a European constitution.

This is the background to Mr Ruffolo's report, which suggests several routes to follow. The Commission is also requested:
– to present to the Council and European Parliament a draft recommendation, in which the Commission will undertake to submit an annual report on cultural policies of the Union and of the Member States, and in which the Commission will call on the Member States to contribute actively to drawing up and carrying out a three-year cultural cooperation plan;
– to create a European agency to monitor cultural cooperation;
– to convene, as part of the review of the Culture 2000 framework programme, a second Cultural Forum which, on the basis of this resolution, will redefine the values, objectives and forms of cultural cooperation in Europe;
– to carry out a study into the opportunities for bringing principles more closely into line at Community level governing the tax treatment of works of art and artistic work;
– to restate, in view of the forthcoming WTO summit, the position of the European Union.

I shall conclude by reiterating that, as rapporteur for the Sixth Research and Development Framework Programme, I proposed amendments that seek to enhance cultural research.

3-126
Uca (GUE/NGL), *in writing*. **–** *(DE)* Closer European cultural cooperation is a welcome and desirable aim. I voted for the Ruffolo report because I firmly believe that closer cultural cooperation will be mutually enriching. Familiarisation with other cultures helps nations and peoples to understand each other and fosters peace. The culture and language of the migrant communities in Europe must not go unmentioned in this context, and I call on the European Union to ensure that some of its financial aid is used to support the cultural activity of these ethnic groups.

Cultural cooperation in Europe is a fundamental aspect of closer European integration. By learning about each other's cultures, the people of our countries can undoubtedly develop a sense of European identity. I consider this particularly important, because Europe is still remote from its people, for whom it is something situated in distant Brussels.

Besides its unity, Europe is also characterised by its cultural diversity. That is of inestimable value and helps peoples to live together in peace. I am determined to work for a Europe whose inhabitants do not merely coexist but, above all, engage in fruitful interaction.

3-127
- Schmitt Report (A5-0279/2001)

3-128
Fatuzzo (PPE-DE). – *(IT)* Madam President, as you know, the number of elderly people and pensioners has been increasing constantly for some time now, which makes me very happy as representative of the Pensioners' Party. This ever increasing number of pensioners and elderly people travels throughout the world, especially within the European Union, and is choosing to do so increasingly frequently by air.

These pensioners have complained to me a number of times about the treatment they receive on board aircraft, the times of flights and delays, and I can therefore only commend and vote for a report which seeks to improve the quality of air transport.

3-129
Krivine and Vachetta (GUE/NGL), *in writing*. – *(FR)* It is now urgent to have consistent and common safety requirements in air transport. Air traffic has increased considerably and we must treat safety issues with particular attention. We agree that this is a necessity. However, we are not in favour of creating a European Aviation Safety Agency (AESA) on the basis proposed.

The issues at stake are obviously related to the increase in international air travel. The AESA has been created to coincide with the liberalisation of our air space and is an instrument which can be used in the war with the United States over requirements. Rather than this being an attempt to achieve consistent safety requirements, this is an attempt to increase competition. The AESA is needed in order to bring about the proposed deregulation in air transport and, in the future, navigation staff and services will also be affected by the decisions taken by this agency. At the moment, navigation staff are actually informed and consulted, but they are never acknowledged as experts. This gives cause for concern at a time when massive structural changes and lay-offs are being made at AOM, Sabena and Swissair as well as at other airlines. This agency must focus on one task alone, namely safety; employees must be involved in this work and the experience and knowledge of each Member State must be made consistent across the board.

3-130
Markov (GUE/NGL), *in writing*. – *(DE)* Mr Schmitt's report is supported by the majority of my group. The advantages of creating a European Aviation Safety Agency in place of 15 national agencies are undisputed:

- It can create uniform authorisation procedures,
- it can standardise the rules on air safety and environmental protection, and
- it can create standard provisions relating to the safety of products, persons and installations.

At the same time, the new Agency would be a recognised partner for aviation authorities in other parts of the world.

The functions of the Agency are clearly defined: consultancy, providing technical support to the Commission, issuing the requisite official documentation, conducting checks and inspections, monitoring the implementation of statutory provisions, devising and funding research projects and cooperating with the agencies of non-EU countries.

The Committee on Regional Policy, Transport and Tourism has adopted other important amendments which would make the Agency more independent of the Commission as well as defining the obligation of the Agency to keep the European Parliament informed.

My group also attaches importance to the provisions that are designed to increase transparency. These would subject the Agency to the following controls:

- General Community budgetary procedures would apply to the Agency,
- Community anti-fraud legislation would apply to the Agency, and
- the Agency would be subject to regular external assessments.

For these reasons the vast majority of our group voted in favour of the report.

3-131
Meijer (GUE/NGL), *in writing*. – *(NL)* There is a grave risk that the aviation industry is facing chaos. As various companies charging different rates and offering different levels of service vie for the same busy connections, the chance of carelessness and risk-taking is greater than in public transport on the ground, which has been reasonably well regulated, so far. Moreover, airspace is becoming increasingly crowded, leading to many near misses. The fact that aviation is not only dangerous but also unhealthy is evident from the incidence of thrombosis which occurs in passengers who are cooped up in very confined spaces for long periods of time. That is why I would welcome a body that can unambiguously implement the best possible safety rules in Europe. If we consider twelve years of a 'Joint Aviation Authority' to be too non-committal and wish to set up a new body which, in agreement with EU legislation, must achieve the highest security level possible, the question is raised whether this new European agency for safety in aviation should be independent of the European Commission. It is certainly unjustifiable to deregulate aviation traffic in the short term for the benefit of what we call a 'single sky', where air safety functions are given to competing companies, existing control services are dismantled and airline companies are in a position to reduce their staffing levels further.

3-132
Titley (PSE), *in writing*. – I would like warmly to welcome Mr Schmitt's report which calls for the establishment of a European Safety Agency with a view to improving air safety. If this proposal comes to fruition, a uniform, high level of safety in civil aviation with common safety requirements will be created.

There are many benefits, both financial and practical, to be gained by creating a single pan-European Aviation Safety Agency: if various national regulatory and certification procedures can be replaced by a single European, uniform system, various asymmetries will be abolished. This will ultimately lead to lower costs, a standardisation of procedures and more importantly, less red tape and bureaucracy. Indeed, it is easier to monitor one safety system as opposed to fifteen. It is highly important that passengers feel safe when travelling on the airlines and establishing common European rules on civil aviation will go some way to achieving this.

3-133

- Swoboda Report (A5-0266/2001)

3-134

Fatuzzo (PPE-DE). – *(IT)* Madam President, Mr Swoboda has tabled a document on heavy goods vehicles transiting through Austrian territory, particularly the valleys and the beautiful areas there are in Austria with which we are or would like to be familiar.

I very much hope that the European Union will strive to ensure that noise and other pollution from heavy goods vehicles and other vehicles are dealt with more resolutely, so that the air remains clean and pure, particularly in the residential and tourist areas frequented by pensioners and elderly people.

3-135

Ebner (PPE-DE). – *(DE)* Madam President, allow me to explain my vote on the Swoboda report. Although the problem of transalpine traffic to which Mr Swoboda refers in his report primarily affects Austria, it also relates to the entire Brenner corridor. That is where we have the problem, which derives from the fact that the proposal and the ideas presented by the Commission lose a very great deal of credibility as far as the area between Verona and Munich is concerned by seeking to amend a Protocol to the Act of Accession unilaterally. We are in favour of tighter ecological restrictions. We are in favour of measures if they respect the interests and equal rights of the people and companies that operate in the area in question. But it is absolutely imperative that contractual law be upheld, both now and in the future.

3-136

Caveri (ELDR), *in writing*. – *(IT)* By agreement with Europe, Austria and Switzerland have laid down limits for heavy goods vehicles, and new railways, currently being built or designed, are planned. This is part of the trans-European transport network, which proposes the Turin-Lyon rail link as an alternative to road travel. The Commission recommended the route for the Aosta-Martigny tunnel, which was restored by the authorities in the Val d'Aosta, in accordance with the Protocol on the Implementation of the Alpine Convention in the field of Transport signed by the States and soon to be signed by the Commission.

The Mont Blanc and Fréjus tunnels will now serve as a test to see whether the intention is genuine: the former was closed to traffic following the tragedy whereas the latter has seen a great increase in the transiting of heavy goods vehicles. The communities of the valleys leading to the tunnels voiced their anxiety and concern: in the Chamonix valley there was a request for a ban on heavy goods vehicles and in the Val d'Aosta a request was made for a quota system.

There are no limits on heavy goods traffic in the western Alps. Italy and France are going to establish such limits – I recall a draft law I submitted to the Chamber of Deputies – together with the local communities, and communicate them to Europe so that Europe can modify the trans-European transport network and specify the changes in the Commission's White Paper, which will also cover vehicle transit through the Alps.

Measures must be laid down to govern road tunnels between Italy and France, in order to achieve a uniform system throughout the Alps now that the Mont Blanc tunnel is being reopened.

3-137

Flemming, Karas, Pirker, Rack, Rübig, Schierhuber and Stenzel (PPE-DE), *in writing*. – *(DE)* We, the undersigned Members of the European Parliament from the Austrian People's Party (ÖVP) and the European People's Party (PPE), voted unanimously today against the Commission's proposal for the amendment of Protocol No 9 to the Act of Accession of Austria, Finland and Sweden regarding the system of ecopoints for heavy goods vehicles transiting through Austria, an amendment which would advance the expiry date of the so-called 108% clause whereby a ceiling is imposed on the number of journeys and which would not replace the clause with another form of restriction. This plan devised by the Commission is contrary to the letter and spirit of the provisions that were negotiated at the time of Austria's accession to the EU.

We, for our part, continue to put our faith in the 108% clause; by virtue of our vote on paragraph 2(a) to (c) of the legislative resolution, we have helped to ensure that a consensus of all the European institutions – the Commission, the Council and the European Parliament – will be found at all future stages in the quest for appropriate and sustainable solutions to transport problems in the areas designated as sensitive, areas which include Austria and the Alpine region.

3-138

Markov (GUE/NGL), *in writing*. – *(DE)* The conclusion that Hannes Swoboda reaches in his report on the Commission proposal regarding the system of ecopoints for heavy goods vehicles transiting through Austria, namely that we should reject the document presented by the Commission, has my own and my fellow group members' full support.

We go along with the rapporteur's argument that the ceiling on the volume of traffic on transit routes through Austria must be maintained because the original aims of Protocol No 9 on road and rail transport and combined transport in Austria have not yet been achieved. These aims involved the reduction of nitrogen emissions and noise levels and the improvement of road safety. Instead of progress towards these goals, we have seen a steady rise in the number of journeys, which rose by 16% between 1993 and 2000 on the main haulage route through the Inn Valley and the Brenner alone and by 52% in Austria as a whole – in other words, a total of 580 188 additional journeys! The EU ceiling of 40 milligrams of nitrogen dioxide per cubic metre is constantly being exceeded by more than the tolerance margin in readings taken at the Vomp measuring station on the A12 autobahn. The same applies to the other Alpine passes that are crossed by transit routes. Despite a few reductions in pollutant emissions that have resulted from technical improvements to heavy goods vehicles, the overall level of carbon dioxide emissions has risen. If the original aim of continuous and sustainable reduction of pollutant emissions is to be achieved, the number of transit journeys by heavy goods vehicles must be reduced. For these reasons, we advocate rejection of the Commission's proposal.

To add another proposal to our debate, let me say that efforts should be made to follow the Swiss example and create rail links for the transport of heavy goods vehicles through Austria.

3-139

- Motion for a resolution on the enlargement process (B5-0538/2001)

3-140

McKenna (Verts/ALE). – Madam President, in relation to the enlargement reports – not just Mr Brok's report, but also those on the individual applicant states – it is interesting to see that Mr Brok has recognised the rejection of the Nice Treaty in Ireland. He has confirmed what we have said all along, that basically the Nice Treaty is not necessary for enlargement. Enlargement can go ahead without the Nice Treaty. It is deplorable that our own government is trying to force people to change their minds.

In relation to the accession reports on the individual states, I have grave concern about the emphasis on the common foreign and security aspect, the fact that countries are being coerced into joining Nato. The report on Malta, for example, deplores the fact that Malta is divided on the issue of membership. I believe it is up to the Maltese themselves to decide on whether or not they want to join. If there is a clear division, then there should be a free choice. In Malta, Ireland is being used as an example of how you can be a Member of the European Union and a wonderful economic success and still remain neutral. All of this is false. We have to stop dangling artificial carrots in front of the applicant states and be honest. Ireland is no longer neutral. It is cooperating in common foreign and security and defence policy. Ireland's economic success is not solely down to the EU, as many economic experts will tell you.

3-141

Fatuzzo (PPE-DE). – *(IT)* Madam President, in terms of the European Union's enlargement process in general, I have to say that I voted for the motion. The Pensioners' Party supports the enlargement of the European Union for two reasons: first and foremost, the States of Central and Eastern Europe lived for over 50 years under a totally oppressive dictatorship and their request to be part of Europe with us deserves recognition. The other reason, Madam President, is that there are already a great many pensioners and elderly people in the current European Union. With the accession of the candidate countries they will become even more numerous, and I can only rejoice that there will be lots of pensioners in Europe who might vote for the Pensioners' Party in the future.

3-142

Berthu (NI), *in writing*. – *(FR)* There are three reasons why we welcome the debate that has just been held in Parliament on the forthcoming enlargement of the European Union. First of all, it appears that, as of 2004, around 10 of the 12 candidate countries (with the likely exceptions of Romania and Bulgaria) may all join at the same time. The Members belonging to the *Mouvement pour la France* think that this is excellent news, which will allow us to make up for some lost time, after such a long wait.

The second reason is that we have remarked upon a change in tone when referring to the candidate countries, which are now treated like States that are worthy of respect. The resolution even stresses that the European Union must ensure that the dignity of the people of the candidate countries is never compromised by making inappropriate demands upon them. We had often condemned the haughty and even contemptuous attitude of the federalists, who demanded that the countries in the East relinquish their sovereignty. Let us hope that this new development will provide more than just a change in vocabulary.

Lastly, the third reason we welcome the debate is that paragraph 10 of the resolution appears to accept a more flexible Europe that is made up of various circles. In our view, this is a more realistic position, on the condition, however, that the

circle in which France is placed is not dominated by ultra-federalism. This would allow flexibility for all countries, in return for increased rigidity for a sub-set, which would be illogical.

The resolution still contains, however, some unsatisfactory, even unacceptable paragraphs. For example, it is a contradiction to demand better monitoring of external borders of candidate countries as well as a relaxation of their asylum policy. It is hardly responsible to call for a structural policy to be applied to the whole of the European Union following enlargement, whereas we should instead focus the policy for a limited period on the new member countries. It is unacceptable to assert that the lesson to be learned from the Irish referendum is that we need to find a method of revising the treaties, which are likely to provoke such opposition (Recital E). It appears that the change in tone does not go as far as respect for national democracies that vote 'no'!

3-143
Bonde and Sandbæk (EDD), *in writing. – (DA)* So that there shall be no doubt that we are well disposed towards admitting the new candidate countries, we have voted in favour of the report. There are nonetheless quite a few aspects of the report and of the enlargement negotiations as a whole that are particularly open to criticism. Recital E, in particular, to the effect that '... the citizens of Europe do not understand the historic endeavour of the Union to bring peace, security and prosperity to the entire continent' is strikingly arrogant.

In the roll-call vote, we voted against change, but we are not in principle opposed to changing the procedure for amending the treaties of the European Union. However, we have misgivings about whether the proposed change would make any practical difference at all to the result it is hoped to achieve by means of a possible convention model. On the positive side, however, is the fact that paragraph 2 talks about 'devising alternative options as a precaution'.

3-144
Bordes, Cauquil and Laguiller (GUE/NGL), *in writing. – (FR)* Behind a presentation that is supposed to be optimistic, the description the reports give of the Eastern European states forming the majority of European Union candidate countries is gloomy.

'Worrying levels of corruption', 'overpopulation of prisons', 'enormous traffic in women and children for the purposes of prostitution and sexual exploitation', 'high level of unemployment', 'poverty', 'seriously damaged environment', 'unpromising economic outlook', 'acceleration in the spread of the HIV virus', 'oppression of minorities', 'discrimination against the Roma', these are some of the expressions used in relation to one Eastern European country or another, or, in some extreme cases, to all.

Despite this, the report expresses satisfaction with the fact that privatisations are going ahead, even in the health sector, denying healthcare to a significant proportion of the population, and with the fact that foreign investments and exports are on the increase in these countries.

The return of these states to brutal capitalism and the increasing stranglehold of powerful investors from the west are already causing a considerable rise in social inequalities. However, despite a few sanctimonious warnings given by the reports to the governments of these countries, what they are mainly asking for is for the remaining obstacles to the penetration of foreign capital to be lifted and for *'the flexibility and mobility of work'* to be increased, that is to say, for their working classes to be submitted to a higher level of exploitation.

Being supporters of a completely unified Europe from one end of the continent to the other, we have not voted against enlargement. Our abstention expresses our opposition to the master and slave relationship that the European Union is seeking to impose on these countries in collaboration with their privileged classes, in addition to the anti-worker policy imposed under the pretext of enlargement.

3-145
Eriksson, Frahm, Krarup, Okking, Herman Schmid, Seppänen and Sjöstedt (GUE/NGL), *in writing. – (DA)* We have not voted in favour of Mr Brok's decision. It is an expression of a development of European cooperation that we cannot support. We do not therefore consider the development of a common defence to be of benefit either to present or future Member States, and we are opposed to involving NATO in a decision concerning enlargement of the EU. We believe that the decision skates all too easily over the problems created by Schengen for quite a few candidate countries, for example when it comes to regional cohesion in the form of trade, and other contact, with neighbouring States outside the EU. The issue of Kaliningrad's future, to which the rapporteur does not give serious treatment, also comes under this heading.

Moreover, the decision has all too little to say about the problems raised by the transitional arrangements demanded by the EU, for example concerning the freedom of movement of the labour force. Such arrangements would, for one thing, prolong the problem of illegal labour from candidate countries in current Member States and, for another, give people in the candidate countries the sense of being second-class citizens of the EU. Furthermore, we think that the decision is far too weak when it comes to the agricultural and structural funds. We welcome the fact that the rapporteur emphasises the

necessity of putting both the environment and the social consequences of the arrangements into the equation; but, if enlargement is to be an equitable process, a minor adjustment in these two crucial areas is far from being sufficient.

Finally, the author's arrogance towards countries' populations is completely incomprehensible, and we wish to retain the right of each individual country's population to decide for itself.

3-146
Figueiredo (GUE/NGL), *in writing*. – *(PT)* The contradictions contained in this motion for a resolution, to which 31 proposals for amendments have been tabled, show that there are considerable differences of opinion on the prospect of enlargement and the objectives that people wish to achieve.

The European Union's leaders have given commitments to the candidate countries that they are now not only behind in fulfilling, but are also making unacceptable demands which could clearly threaten objectives that they are trumpeting and which should actually be the broad guidelines for accession negotiations, such as the peace, development and prosperity of all peoples, taking into consideration the principle of economic and social cohesion.

On the one hand, however, the resolution voted for by a majority of the European Parliament states that "the dignity of the peoples of the candidate countries must never be wounded by insensitive demands from the EU" and the need to correct certain discriminatory aspects that were approved in Nice is acknowledged. On the other hand, it unacceptably ties the enlargement of the European Union to that of NATO. The resolution expresses satisfaction with the conclusion of the agreements on liberalising agricultural trade and urges further privatisation, bearing in mind current and future obligations within the WTO, whereas, in social terms, it opens the way for transitional periods in the free movement of people, thereby covering the German and Austrian positions, which we reject, of preventing workers from candidate countries obtaining legal status for seven years,.

The motion for a resolution also fails to adequately address the issue of the future budget of the European Union, despite knowing that major disparities exist in the levels of development, not only between the countries of the European Union but also between the average of the fifteen current Member States and that of the twelve countries applying to join the Union, which we cannot accept. The move towards economic and social cohesion requires a thorough revision of the financial perspectives and a substantial bolstering of Community funds in order at least to maintain current levels of support for cohesion countries, including Portugal, and to give significant support to the development of the candidate countries.

3-147
Krivine and Vachetta (GUE/NGL), *in writing*. – *(FR)* In this current process of enlargement, the Council uses the same framework for all 12 candidate countries without taking into account the specific nature of those from Eastern Europe, insofar as we are forcing them to change their entire systems, which makes this round of enlargement a qualitatively different issue to any previous enlargement.

The European Union is therefore asking each candidate country to prove their ability to face up to competition by destroying their environment, their system for social protection and their means for a true policy of modernisation and full employment, thereby encouraging the development of poverty and unemployment.

Far from continuing to give gold stars to those who have privatised the most and to those who have reduced their budgetary expenditure the most, there should be an audit of the true socio-economic effects of these measures, a moratorium on privatisations, public aid for development, and the definition of a Europe-wide social plan for the European Union that is open to the East and to the South, protecting employment, the environment, health and standards of living.

Instead of this, the EU is preparing to welcome these new countries into the Community as members of a second division, commanded to apply the acquis communautaire and excluded from the effects of the CAP or even the structural funds. The citizens of these countries should be consulted beforehand, preferably by means of a referendum, and Europe give the commitment to accept their response whatever it may be.

This is why we have not voted for the process of enlargement to be pursued under these conditions.

3-148
Martinez (TDI), *in writing*. – *(FR)* The enlargement process is without doubt a great adventure. Yet up to this point it has been reduced to the rank of a commercial-style takeover bid or a company merger, instead of being a major event in history, reuniting all the Christian peoples of Europe at a time when the secular enemy once again is threatening the south. Within this framework of a camp of freedom and light, pitched against a camp of integrationist obscurantism, Ukraine and Russia, the advanced guard of the West, would have comfortably found their place.

The result of this derisory technical fudging of a political issue at the summit is the expression 'acquis communautaire'. In around thirty chapters, from agriculture to taxation, via the environment, SMEs, education and transport, the laws of the

candidate countries, their administrations, their sociologies and even their morals are being closely examined with a police-style scrutiny that must remind these former countries suffused with a proletarian morality of heavy-handed practices that have still not been forgotten. Such states are also seeing their penal codes criticised as an obstacle to their accession, because they forbid certain sexual practices. Many have received lectures on their levels of fraud and corruption, as if European VAT has not been, since 1993, a major factor for serious tax fraud. Malta is even being reproached for attracting too many offshore companies because of its favourable tax laws. As if Ireland has not been guilty of this with the CSFs and as if the United States does not practice this system on an enormous scale; a practice condemned by the World Trade Organisation, but tolerated by Europe that will climb down as many rungs as is necessary in its submission to the empire.

At no time has enlargement been the opportunity for a dialogue on experiences and the sharing of success stories. Poland has good reason to point our that its agricultural heritage will be open to a European heritage of 8 million animals slaughtered for foot-and-mouth disease or BSE and 136 000 people incubating the fatal atypical Creutzfeld-Jakob disease.

Instead of enriching and preserving the heritage of the vegetable and animal biodiversity of these Eastern countries, not to mention their heritage of social relations that have not yet been broken by this ultra-capitalist savagery, the European Commission debases this historic meeting to the level of an unconditional annexation. An *Anschluss*, in fact. This explains why the dossier has been entrusted to a German Commissioner and the European Parliament report to a member who is, as if by chance, also German.

Things are, it is true, clearer than ever. There is enlargement of course, but as in 1990, it is still German. The 1945 brackets are being closed. The Empire is rebuilding itself. *Mitteleuropa* is here, everlasting in its geography and its history.

3-149
Meijer (GUE/NGL), *in writing*. – *(NL)* Mr Brok's assumption is based on close ties between NATO and the European Union. It is true that Poland, the Czech Republic and Hungary were recently persuaded to join NATO with the prospect of a possible acceleration in the accession process to the EU. This line of thinking takes no account of the fact that four current EU member states, namely Ireland, Sweden, Finland and Austria, do not belong to NATO and neither do they have any ambitions in this direction. I am opposed to the idea that NATO must be seen as a military organisation of five member states, being the US, the European Union, Canada, Norway and Turkey. Moreover, in my opinion, Mr Brok's views are not only problematical in respect of NATO. The enlargement of the EU can heighten national contradictions, partly because many of the companies still existing in the east fail to meet the environmental *acquis* for which we can, at best, expect typical, temporary low-wage industries modelled on the Mexican example in return. The new Member States will be plagued by the problems of the former DDR on the one hand, and of Mexico, which serves as the US's poor backyard, on the other. Mr Brok's optimism ultimately leads to a Europe full of unsolved problems, partly because he disregards all the social issues.

3-150
Souchet (NI), *in writing*. – *(FR)* At a time when the Member States of the European Union are finally putting together, following the *Erika* catastrophe, a more stringent set of provisions for maritime safety – a field in which the common interest is obvious – it can only be regretted that the space set aside for this crucial subject in the various resolutions relating to the candidate countries directly involved should be so discreet.

No one can forget the images of the wreck of the *Erika* and the views of its home port, Valetta.

We are all aware that the merchant fleets of six candidate countries appear on the Paris Memorandum blacklist. In addition to Turkey, these are Malta, Cyprus, Latvia, Romania and Bulgaria.

These countries' adoption of the *Erika I* and *Erika II* packages and their commitment to get on top of the issue of accepting flags of convenience should be made one of the priorities in accession negotiations. The safety of our coastal regions depends on it.

3-151
- Carlsson report (A5-0251/2001)

3-152
Fatuzzo (PPE-DE). – *(IT)* Madam President, a few days ago, during the summer, I went on holiday to Estonia. While I was there, I saw a fisherman – although it was summer, it was very cold up there in the north – fishing in the Baltic Sea. I stopped for a chat and learned that he was a pensioner who was trying to catch a few fish to supplement his pension. "Why are you doing that?" I asked him. "Don't you have good pensions?" "I am afraid that our pensions are very low" he replied. I therefore hope that we will make sure that pensions are large enough in all the candidate countries, especially Estonia.

3-153

Krarup (EDD), *in writing.* **–** *(DA)* I have voted against the reports on enlargement of the European Union inasmuch as the real political goal of the EU's project of enlargement is the economic and political subjection of the populations of the candidate countries. It is about annexing a group of countries and not about real negotiations between equal parties. A long-term strategy for peace and prosperity would be aimed at opening the EU's markets instead of making unreasonable demands upon the candidate countries to enact extensive legislation over which they have no influence.

The most important task for the People's Movement against the EU is to internationalise grassroots opposition to the EU project as a whole and to work for a free Europe in which there are full opportunities for open cooperation that are not stymied by the EU's closed, supranational bureaucracy.

3-154
Wuori (Verts/ALE), *in writing. – (FI)* I would like to give an explanation of vote with regard to the votes cast on today's enlargement reports and firstly state that I agree with the points Patricia McKenna made concerning foreign and security policy matters in connection with enlargement. At the same time I wish to say that I voted in error in favour of Amendment No 4, which was tabled for Mrs Carlsson's report, as in fact I opposed this amendment, which I consider to be of dubious value with regard to the area's stability.

3-155
- Schroedter report (A5-0252/2001)

3-156
Fatuzzo (PPE-DE). – *(IT)* Madam President, I voted for the accession of Latvia to the European Union. In the Baltic States, there are many cultural treasures which I am sure many pensioners – and many young people as well – from throughout the European Union would like to visit. It can only be a good thing to have the possibility of seeing these marvellous works of both nature and man in the European Union, which should therefore be enlarged to include Latvia as well.

3-157
- Souladakis report (A5-0253/2001)

3-158
Fatuzzo (PPE-DE). – *(IT)* Madam President, Lithuania has a great problem of energy and unemployment. I voted for the motion but I call upon the European Union to provide more substantial financial and other aid to combat the lack of energy and the shortage of jobs in the State of Lithuania.

3-159
- Gawronski report (A5-0254/2001)

3-160
Fatuzzo (PPE-DE). – *(IT)* Madam President, Poland must be the first candidate country to enter the European Union. This is because the peaceful revolution which brought Eastern Europe into the democratic world, the world of democracies, originated precisely in Poland, as we all know, with the work of *Solidarnosc* and the election of a Polish Pope. I therefore voted for the motion and I hope that there will soon be Polish representatives with us in this Chamber.

3-161
Caudron (PSE), *in writing.* **–** *(FR)* As a member of the EU-Poland Joint Parliamentary Committee, I am happy to be able to give my opinion on the report by Mr Gawronski. This is, in fact, an analysis of the state of progress of accession negotiations with Poland and to check that the Copenhagen criteria, the conditions to be fulfilled at both political and economic levels and in terms of the implementation of the acquis communautaire, are being respected.

As far as Poland is concerned, the government has shown its willingness to implement the necessary reforms that will allow it to join the European Union as soon as possible. It appears that, on the face of it, Poland will be able to participate in the next European elections in 2004, which I am delighted about.

There remain, however, several recurrent problems, notably in the area of agriculture. It is extremely important that a compromise agreement be reached between the Polish authorities and the Commission on Poland's participation in the common agricultural policy and, on the basis of Commissioner Fischler's proposals, to implement a phasing in of direct payments, which should gradually integrate the Polish agricultural sector into the Community system.

It also seems necessary to return to a question that has not been mentioned in the report for it raises too many controversial issues. All the same, I would like to remind you of the painful problem of the restitution of property confiscated after the Second World War. I am, of course, aware that the Polish authorities are finding it particularly difficult to solve this problem for both financial and emotional reasons. However, the debate should be held in such a way that a balanced solution can be found which, hopefully, will deal carefully with all the sensibilities involved.

Lastly, the efforts of the Polish parliament to adapt national law to the acquis communautaire must be highlighted. It is obvious that these could be seen as measures that simply complicate people's daily lives. A policy of information and

communication should therefore accompany such measures to convince the Polish people of the advantages of joining the European Union.

Whatever happens, I would insist on the fact that, for citizens of both Member States and candidate countries, the cost of enlargement in every sense of the word is nothing when compared with the cost of non-enlargement.

We all have a historical responsibility for this matter.

3-162
Krivine and Vachetta (GUE/NGL), *in writing*. – *(FR)* This report 'urges' Poland to speed up the effective implementation of the acquis communautaire so that she can respect the commitments she has given and fully benefit from the advantages inherent in accession to the European Union. But what exactly is the content of the acquis communautaire that the Polish people, especially the Polish farmers, can expect?

We certainly support the demand of all candidate countries, especially Poland, not to be treated like members of an EU second division. Yet the CAP reforms and structural funds require much more than strict budgetary calculations. Agriculture plays a major role in satisfying needs and fundamental rights, from the right to the sovereignty of food to questions of health and the environment, via regional balances and jobs. Candidate countries such as Poland should participate fully in the definition of an entirely new European agricultural policy.

As far as the Polish industrial machine is concerned, it is whipping itself into shape for a Europe that has demoted it from the rank of favourite to that of outsider in terms of accession. In fact, the formulae applied have left entire regions disaster stricken, with an official unemployment rate of 16%. The socio-economic failure of Poland will be that of so-called 'liberal' formulae imposed by accession. This is the reason why we have not voted for this report.

3-163
- Jürgen Schröder report (A5-0255/2001)

3-164
Vatanen (PPE-DE). – *(FI)* Madam President, Mr Fatuzzo is not alone here, which is nice for him. We Members of Parliament are not normally late going to lunch, but I wanted to explain why I voted against Mrs Nicholson of Winterbourne's and Mr Schröder's reports. Of course, I want to welcome these countries, the Czech Republic and Romania, to the EU with open arms, but I wanted to protest about Parliament's attitude to nuclear power. It is not our task to advise independent countries on how they are to manage their affairs regarding energy, and our own credibility suffers if we discuss the issue of nuclear power time and time again in a populist manner that ignores the facts. Numerous international study trips have been made to Temelin, for example, and it meets all the international criteria. Why should this brand new nuclear power station be demolished? Romania, on the other hand, has coal-fired power stations that are 40 years old – they are nearly as old as me – so it is only reasonable for them to build the modern Canadian nuclear plant there. I must just say that if people in the candidate countries are reading our thoughts on nuclear energy they are almost certainly choking on the coal dust and their food is going down the wrong way as well.

3-165
Adam (PSE). – Madam President, I wish to associate myself with the comments just made by Mr Vatanen. I too did not support the Jürgen Schröder report, specifically because paragraphs 43 and 44 call into question the completion of the Temelin nuclear power plant and, in fact, contradict the earlier paragraph 42 which welcomes the Melk Accord between the Czech Republic, the Austrian government and the European Commission in December 2000. The content of that accord and, in particular, the investigations into the environmental impact assessment that was agreed, have substantially been carried out. On my examination of the information there are no safety reasons why the commissioning of Number 1 reactor should not proceed. On the basis of this contradiction in the report I did not support it.

3-166
Fatuzzo (PPE-DE). – *(IT)* Madam President, the Czech Republic has asked to accede to the European Union and I have voted for the motion. Point 7 of the report, on pages 7 and 8, says that, in order to reduce the deficit, the Czech Republic must reform its health and pension systems. I do not agree. Health and pensions must not be used to balance States' budgets. The health and pensions of the citizens must be the last item on a State's budget to be altered. A good administration must come first.

3-167
Krivine and Vachetta (GUE/NGL), *in writing*. – *(FR)* The report 'is concerned about the rising budget deficit, which, after deducting privatisation receipts, could reach 7% of gross domestic product in 2001, and therefore calls on the Czech government to carry out urgently needed reforms to the healthcare and pensions system' and 'recalls that budgetary consolidation must not be carried through in such a way as to compromise the mid-term objective of social cohesion in accordance with the European Social Model, in particular the fight against poverty and social exclusion'.

In direct opposition to European ideology, the rapporteur adds, as if in response to pressure from the demonstrations in Prague against the IMF and World Bank summit, that 'future-oriented public investments are urgently needed for the improvement of social protection, public health and education'...

This schizophrenia will become more and more apparent between the proclamations of good intentions and the 'liberal' formulae directed towards mass privatisations and competition. It is proof of the refusal to draw up an effective balance sheet for failed policy and disintegrating formulae.

We demand a moratorium on these policies and criteria for European construction that do not impose methods that are detrimental to standards of living and basic needs. For these reasons, we were unable to vote for this report.

3-168
Raschhofer (NI), *in writing*. – *(DE)* The FPÖ members voted for the enlargement report on the Czech Republic. However, I wish to reiterate our position on paragraphs 42-44 of the report.

The Melk Accord between Austria and the Czech Republic has failed to achieve the desired results so far. Its objectives have not been met. A satisfactory outcome can only be obtained if the Temelin issue is dealt with at European rather than at bilateral level. What is required, therefore, is a European initiative on the closure of Temelin which sets forth a timetable and financing options for its final phasing out and involves the Commission and the Member States.

3-169
Wuori (Verts/ALE), *in writing. – (FI)* With regard to Mr Schröder's report I wish to say that hazardous nuclear power stations are not the internal problem of just one country. For that reason it was important to adopt paragraphs 43 and 44 of the Temelin report. It is to be hoped that they will give the right message to the Czech government and also that the zero variant will be taken seriously in any discussion of Temelin's future.

3-170
- Wiersma report (A5-0256/2001)

3-171
Fatuzzo (PPE-DE). – *(IT)* Slovakia has applied to enter the European Union and is making progress in incorporating the Community acquis into its legal system. The Pensioners' Party voted for the accession of this country, and I am pleased to note, as page 14 of the report states, that Slovakia has authorised the use of many different regional languages in its Republic. This is an example that we ought to follow in all the Member States.

3-172
Meijer (GUE/NGL), *in writing*. – *(NL)* Unfortunately, the country reports hardly mention the risk of eastern newcomers reverting to their traditional situation pre-1940, when they were the West's poor relations. At that time they had to export cheap minerals and agricultural products in order to pay for the import of expensive industrial products. Only by sealing their markets off from disrupting and currency-consuming imports did they manage to protect their industry and create a level of security for 40 years. If we do not afford the newcomers any sustainable protection, they will not be able to protect themselves against the clearance sale of land and businesses to people living in countries with a stronger economy, nor against the imports from such countries. This could result in them being condemned to long-term poverty and deprivation. This also brings with it the risk that the electorate in those countries will favour forces which will promote themselves as protectors of national independence, national identity and the national economy. Certainly in Slovakia, with its weak economy and Roma and Hungarian minorities which are not favoured by a majority of people, poverty not only incites an aversion to the EU, but also creates internal conflict. A time bomb is ticking away unnoticed under the EU's enlargement plans.

3-173
- Queiró report (A5-0257/2001)

3-174
Fatuzzo (PPE-DE). – *(IT)* I voted for the report on the state of accession negotiations between Europe and Hungary. Although I fully support this report, I would have preferred it if it had stated that the Hungarian citizens, in company, moreover, with all the other citizens of the States of Europe, should be informed that, in joining the European Union, they will benefit from being able to add the years of work performed in the State in which they live to the years of work they have performed in other States. Thus, accession to the European Union will bring better, larger pensions for many cross-border workers.

3-175
Krivine and Vachetta (GUE/NGL), *in writing*. – *(FR)* The European Union promised Hungary a rapid entry into Europe. However, this promise has not been kept. This is why the report 'insists (…) on the need to fix firm dates for the conclusion of negotiations and accession – since the Treaty of Nice has now been signed – so as to help forestall any disappointment or even discontent on the part of the Hungarian public'.

Disappointment is becoming the norm, however. The amount of time the process is taking is the main reason for this but also the widespread sacrifices we are trying to pass off as a bitter pill that must be swallowed in order to prepare for a brighter future at the heart of the EU, with certain countries having to swallow this very pill without even any guarantee that they will become full members of the EU.

The fear that people will associate social regression with structural adjustment criteria imposed by the IMF or by the EU is shifting the debate. The report 'welcomes (…) the approximately 60% rise in the national minimum wages, and calls on the Hungarian government to encourage the signing of collective bargaining agreements by industrial sectors' yet the substance of the social measures advocated evaporates when the report 'notes the adoption of a new labour code based on the principle of the flexibility and mobility of labour with a view to adapting the rules and organisation of the labour market to the need for economic growth…' This is a liberal formula that we do not accept, either for the new candidate countries or for the European Union as it stands today. For these reasons, we were not able to vote for this report.

3-176
Queiró (UEN), *in writing*. – *(PT)* Despite having delivered, as you would expect, a favourable, vote on this report, I must express my disagreement with its conclusion No 13, which is the consequence of an amendment tabled in committee being adopted. This amendment requests the Hungarian government remove the provisions of the Penal Code, specifically Article 199, which discriminates against homosexual men and women. If this were in fact the issue, the aforementioned conclusion would not require any comment. The situation is, however, that following consultation with the Hungarian authorities, I have been informed that the penal provision in question only affects homosexual relations involving partners under 18 years of age. This is not, therefore, a law of sexual discrimination, but one designed to protect minors, which completely changes my position.

Consequently, although I requested a split vote on this matter, I have voted against the paragraph in question.

3-177
- Van Orden report (A5-0258/2001)

3-178
Fatuzzo (PPE-DE). – *(IT)* Bulgaria has also applied to join the European Union. I am somewhat concerned by the political situation in this State, Madam President. I hope that King Simeon, who has become Prime Minister of the Bulgarian Republic, but who does not hold an absolute parliamentary majority and who has acquired the reins of the country by bringing to the government ministers from the both the Turkish and the communist communities, will also be able to incorporate the Community acquis into the Bulgarian legal system without delay, so that the country can become part of the enlarged European Union as soon as possible, entering the European Union among the first wave of States, if possible, rather than the second.

3-179
- Nicholson of Winterbourne report (A5-0259/2001)

3-180
Adam (PSE). – Madam President, on the Nicholson report, I voted against it because paragraph 20 seeks to delay the completion of the second nuclear reactor at Cernavoda. It is a "CANDU" nuclear reactor of western design. There are no safety implications involved.

Paragraph 20 of the report calls for the creation of a sustainable energy strategy. That strategy has already been put in place. It has been paid for through the PHARE programme. I am surprised that a committee like the Committee on Foreign Affairs, Human Rights, Common Security and Defence Policy seems to be unaware of this fact.

For that reason I voted against the Nicholson report. That particular item was inaccurate, unnecessary and an aggravation to a country which is seeking to join us. I wish that the anti-nuclear people on these committees would realise that this constant sniping at the applicant countries on this issue is not doing our relations with them any good at all.

3-181
Fatuzzo (PPE-DE). – *(IT)* Madam President, I voted for the entry of Romania into the European Union. This is not solely – although it is partly – for the reasons contained in the report, but because I cannot disregard the relationship that exists between Rome and Romania. It is a well-known fact that Romania is a community of people made up, for the most part, of the descendants of Roman soldiers who had set up a large camp there. And it is a well-known fact that the language spoken by the Romanians is a Latin-based language, unlike the languages of all the other regions. Well then, these ties have convinced me still further to do all I can and to support the – moreover, extremely positive – report on the state of Romania's accession negotiations. I hope that this country will manage to close the gap on the other States which have applied to accede to the European Union as quickly as possible.

3-182
Banotti (PPE-DE), *in writing*. – Recently a TV crew from Romania asked me, was I seriously suggesting that the condition of children's institutions in Romania could jeopardise their application for membership of the EU. These young

journalists were totally amazed at the deep concerns many of us have about all aspects of childcare in Romania. Our concerns about trafficking in children as the world was beating a path to their door in search of children became obscured between the desperation of parents looking for children to adopt and the clear indications that many of those who were facilitating commercial trafficking in children became part of the politics of Romania, and indeed those countries whose nationals were pressurising for open adoption, notably the USA.

Baroness Nicholson has, in her excellent report, highlighted these issues and by her deep concern has finally alerted the Romanian Authorities, and her report will hopefully result in the radical changes required to protect children.

3-183
Krivine and Vachetta (GUE/NGL), *in writing*. – *(FR)* Broadly speaking, we can only agree with the new strategy decided on at the Helsinki European Council of 10 and 11 December 1999 that aims to open negotiations with all Eastern European candidate countries – but not at any cost.

Although social degradation in Romania continues and in no area is the process of reform complete, the rapporteur dares to say that 'Romania today has opportunities for swift progress unequalled in modern times. Firm political leadership, exceptional economic signals, clear articulation of, and commitment to, the reform process...' Yet its true intentions come to light later on: '…a NATO decision to invite Romania to become a member of the North Atlantic Alliance in 2002 would be an important contribution to regional security; welcomes therefore Romania's efforts to satisfy the requisite conditions for NATO membership and, in particular, Romania's efforts to restructure its military sector and to adjust its defence policy'. There is the strong possibility that Romania will be offered NATO membership as a substitute for accession to the European Union, which is increasingly unimaginable, since the reforms are prohibitive for development due to the huge costs involved in integration. We are nevertheless asking Romania to prepare herself…for entry into NATO. For these reasons, we were not able to vote for this report.

3-184
Gil-Robles Gil-Delgado (PPE-DE), *in writing*. – *(ES)* The Spanish delegation of the PPE-DE has voted in favour of the report by Baroness Nicholson on the accession of Romania to the European Union in view of the explanations given by the rapporteur with regard to the adoption of Romanian children by Spanish families, explanations which I am grateful for. It considers that, in this way, the concerns of future Spanish mothers and fathers, who have correctly carried out all the necessary procedures for adoption and have then been extremely alarmed by the revision measures and paralysis of cases adopted recently, may be effectively dealt with.

The Spanish delegation of the PPE-DE is actively monitoring the implementation of these measures and will take all necessary action with the Romanian and Community authorities to protect the rights of children to be adopted, by means of the introduction of provisions which will remove any possibility that, under the guise of adoption, cases of trafficking in children may be covered up, as well as the rights of parents who have a generous desire to adopt and who, to this end, are making every kind of sacrifice.

3-185
- Volcic report (A5-0260/2001)

3-186
Fatuzzo (PPE-DE). – *(IT)* Madam President, I voted for the report which acknowledges the state of the accession negotiations between Slovenia and the European Union. In two days time, next Saturday, I shall be the guest of the Slovenian State Secretary for Foreign Affairs in Ljubljana. Why is that? Because he belongs to the Slovenian Pensioners' Party, and this will be the first meeting between the Pensioners' Party represented at the European Parliament and one of the many pensioners' parties that exist in the candidate countries. The most important of these is the Slovenian Pensioners' Party and I hope that this party, which is succeeding in getting Slovenia into Europe, will join forces with me in working to improve the lives of pensioners throughout Europe.

3-187
Muscardini (UEN), *in writing*. – *(IT)* Regretfully, the *Alleanza Nazionale* delegation to the European Parliament is going to vote against Slovenia's accession: regretfully because we believe in the democratic and Europeanist sentiments of the Slovenian people, a people which – we are sure – will make a substantial contribution to the integration of a Europe which is becoming increasingly capable of united political and economic action and of protecting the historical and cultural diversities of its communities. However, *Alleanza Nazionale* cannot vote for Slovenia's accession today because of the indifference displayed by the Slovenian government towards the legitimate, longstanding claims of the Italian exiles.

This indifference dashes our hopes, although we continue, nevertheless, to call upon the Slovenian government to acknowledge without delay that the concept of democracy also includes acknowledging the damages and suffering that they have inflicted on many Italian-speaking citizens in the past and providing appropriate compensation.

3-188
- Poos report (A5-0261/2001)

3-189
Fatuzzo (PPE-DE). – *(IT)* I voted for the report on Cyprus as well. This summer, Madam President, as well as going to the seas in the north, I went on holiday to Cyprus. I divided my time equally between the Greek and Turkish parts of Cyprus. I went to the seaside and got a nice tan. I spent time first with a beautiful Greek Cypriot girl and then with a beautiful Turkish Cypriot girl. There was no difference between the first and second parts of the holiday: I had a wonderful time in both Northern and Southern Cyprus. I therefore hope that Cyprus will enter the European Union as soon as possible.

3-190
Alavanos (GUE/NGL), *in writing*. – *(EL)* The accession of the Republic of Cyprus to the European Union is clearly a very different issue from the accession of the countries of Eastern Europe. The accession of Cyprus carries far more weight and is far more important because it could be used as a lever for finding a fair solution to the Cyprus question based on UN resolutions and for defusing political tensions in the eastern Mediterranean, especially following the invasion of the northern part of the island by Turkish forces, which have persisted in their barbaric occupation for more than a quarter of a century now. Accession will not disadvantage any of the communities on the island and it is interesting that, despite opposition from Turkey and the Denktash regime, the majority of Turkish Cypriots, 90% according to a recent article in the Turkish newspaper *Radikal*, are in favour of the accession of the Republic of Cyprus to the European Union.

Mr Poos' motion for a resolution is correct, balanced and well pitched politically. If the Council takes its cue from the European Parliament, instead of constantly giving in to pressure from Turkey, we would have positive and quick results both for the Republic of Cyprus and for the Greek Cypriot and Turkish Cypriot communities.

3-191
Balfe (PSE), *in writing*. – I appreciate the hard work that my friend and colleague, Jacques Poos, has put into preparing this report but regret that I cannot vote for this in the final vote.

Had the amendments tabled by my friend Andrew Duff been passed, I would have been able to support the report.

Europe has, in recent years, seen and accepted the separation of the Czech Republic and Slovakia, the dissolution of the former Soviet Union and the gradual break up of Yugoslavia.

Yet we seem unable to accept the rights of the Turkish population of Cyprus to be accorded their rights to a separate administration and indeed, if this cannot be achieved, the right to secede from the Republic of Cyprus and follow a path of self determination as far from the smallest country in the world.

The Cypriot Turks have as much right to self-determination as the Cypriot Greeks. For many years the Greek Cypriot sought enosis (union) with Greece. The Turkish Cypriots should have the same right, though my own preference would be for two equal states united in some form of bi-zonal, bi-communal federation within the European Union.

3-192
Berthu (NI), *in writing*. – *(FR)* Cyprus is today the candidate country that has advanced the most in its negotiations with the European Union – 23 chapters provisionally closed out of 29 – and we can, on paper, envisage its accession taking place as soon as 2004. In practice, however, this will pose formidable problems due to the illegal occupation of the northern part of the island, 37% of the total territory, by Turkey since 1974.

The European Union considers that the Cypriot government in the southern part of the island represents the whole island, in accordance with international law, and that it is therefore negotiating for the accession of all the island's inhabitants. It is right to take this approach, for to act differently would mean recognising border changes imposed by force. However, the result could mean the inclusion in the EU of a closed area – for all communications with the north have been cut, except with Turkey, where human rights are not respected – the European Court condemned Turkey on 10 May for its behaviour in Cyprus – and where the economic situation is completely unregulated. How can we manage contradictions such as these?

The Poos report that has just been adopted by our Assembly rightly states that if Turkey were to decide to annex the northern part of the island, "*it would put an end to its own ambitions of European Union membership*". However, if it is not annexed, if it refuses to re-enter into negotiations, that is to say, if the current situation persists, what do we do? At the very least, it must be said that Turkey's attitude does not correspond to what we would expect from a country wanting to be a candidate for EU membership.

3-193
Lulling (PPE-DE), *in writing*. – *(DE)* First of all, I should like to congratulate the rapporteur, Jacques F. Poos, on his report. I am pleased that the Committee on Foreign Affairs has taken up my key demand, namely that the adoption of the Community *acquis* concerning equality between women and men is an indispensable condition for membership.

However, I wish to voice my disappointment, and that of the Committee on Women's Rights and Equal Opportunities, that other specific demands have been disregarded.

In this context, I should stress that the employment rate among women in Cyprus is far lower than the Community average. Measures are required to promote women's access to training and employment, improve the situation of women in the jobs market and help them to achieve a better balance between life and work.

I therefore think it is regrettable that Cyprus is not taking part in the Community programme on equal opportunities for women and men. Given that it is considered the country that has made most progress in negotiation of the chapters concerning the Community *acquis*, it is hoped that in the first national programme for adoption of the Community *acquis*, Cyprus will confirm its involvement.

In the EU Member States, the concept of gender mainstreaming has been incorporated systematically into the most important policies and reforms undertaken in recent years. In light of Cyprus' forthcoming accession to the European Union, Cypriot legislation needs to be adapted further to bring it fully into line with the other Member States, and gender issues should be dealt with in the framework of the Karolus programme, which aims to bring about better application of the Community *acquis* by an exchange of national civil servants.

Finally, I should like to underline that although Cyprus does have legislation to combat trafficking in women and domestic violence, progress is still required in both these areas.

3-194
Meijer (GUE/NGL), *in writing*. – *(NL)* Unfortunately, I am unable to support the Poos report because it assumes that the government which rules Greek-speaking southern Cyprus, is also authorised to conduct negotiations on the country's accession to the EU on behalf of the Turkish-speaking north. In the fifties, I shared the view that an undivided and independent Cyprus would be preferable to an island carved up between Greece and Turkey following decolonisation. Unfortunately, this Cypriot state of unity which was established in 1960 did not appear to be viable and fell apart as early as 1964. During my visits to Cyprus in 1964 and 1966, it was already clear to me how foreign troops, by UN order, kept the regions occupied by different population groups separated. This was therefore long before the Turkish occupation of the north in 1974. I do not expect that the withdrawal of that army will result in the Turkish-speaking minority wishing to rely again on the Greek-speaking majority. A peaceful solution on the basis of free will is now only possible thanks to a confederation. If the EU renders it necessary to take the north from the Turkish population, war will follow. I denounce this war and the ensuing split between victors and vanquished.

3-195
- Stenzel report (A5-0262/2001)

3-196
Fatuzzo (PPE-DE). – *(IT)* I too voted for the report on Malta, Madam President, and I have seen that point 8 of the report, on page 7, calls upon Malta "to introduce legislation against discrimination pursuant to Article 13 of the EU Treaty". But Madam President, we are asking Malta to do something that Italy, for example, has not done!" In Italy, there is discrimination against the disabled and sick who are over 65 years old, who are not entitled to an allowance, and the sick who are less than 65 years old, who are entitled to an allowance. I cannot see any difference between a disabled person over 65 and a disabled person under 65!

3-197
- Collins report (A5-0249/2001)

3-198
Fatuzzo (PPE-DE). – *(IT)* This last report concerns the communication on the protection of passengers who travel by air. This time, a pensioner, Mr Roberto Roberti, came to my aid. As we left the aeroplane together in Strasbourg, he said to me: "What a horrible meal we had on the plane! I wish they would serve Parma ham, spaghetti with pesto from Genoa, polenta from Veneto and sweet-smelling tomatoes from Naples!" Well it is now lunch time, Madam President, and what better way to conclude the morning's work than by saying "Buon appetito!"

3-199
Bordes, Cauquil and Laguiller (GUE/NGL), *in writing*. – *(FR)* We have approved several points in this report that are likely to bring about an improvement in air passenger protection, but we have not voted for it in its entirety because:
- it seeks to exonerate airlines from a whole range of shortcomings by shifting fault onto airports and air traffic control, yet it is the fact that all airlines operate in order to make a profit that puts passengers at risk;
- the deregulation and liberalisation of the air sector, on which this report mistakenly heaps praise, have stepped up this quest for profit and, as a consequence, have multiplied the problems arising from such an approach, for both passengers and airline workers.

It shows utter disregard for everyone involved to believe, as stated in the report, that passenger safety can be improved without affecting competition and to count on the voluntary commitment of the airline companies.

3-200

Eriksson, Frahm and Sjöstedt (GUE/NGL), *in writing*. – *(SV)* We wish to give notice that we have voted against Mr Collins's report, not because we are opposed to providing information to customers or because we consider these issues to be unimportant but because we consider that these are issues which ought not to be discussed in the European Parliament.

3-201

Markov (GUE/NGL), *in writing*. – *(DE)* European air travel is expanding rapidly, and this trend is likely to continue in the coming years. Protecting users of air transport, i.e. passengers, and guaranteeing their safety, health and consumers' rights are becoming more and more important as air transport increases, especially as the new possibilities for travellers to book and buy airline tickets via the Internet offer advantages but also pose risks.

The Commission's proposal on which the report is based offers better protection to air transport users, especially as regards access to information about their rights as passengers. It also offers the airlines the opportunity to enter into voluntary commitments with the airports. I especially welcome the proposed strengthening of the legal framework to protect consumers, as it sets forth clear, binding and legally enforceable rules which must be complied with by all the airlines. Experience has shown that these framework rules are essential so that air passengers are fully aware of their legal rights in the event of a dispute. This does not mean that I am against voluntary commitments on principle, but I would prefer legally enforceable rules to govern the relationship between the airline and the airport as well. This is not envisaged in the report, however. The question which therefore arises is this: who is to regulate compliance with the voluntary commitments, and what methods should be used to address non-compliance?

Based on these considerations, we also support Mr Collins' demand that any issues which cannot be settled satisfactorily in the interests of consumers through voluntary commitments should be dealt with in separate proposals at a later date.

On behalf of my group, I therefore support Mr Collins' report.

3-202

Titley (PSE), *in writing*. – I warmly welcome Mr Collins's report which calls on the European Commission to allocate research funding to study risks to long haul air passengers. In view of current concerns over the health risks on long haul flights, such as deep vein thrombosis, this report comes at a fitting time. The report also goes so far as to recommend additional measures aimed at protecting the rights of all European citizens, such as those with disabilities. I fully support this. In addition, the report's recommendation to appoint an EU air passenger ombudsman, to whom passengers can complain when encountering problems with airlines, would go some way towards empowering European citizens who have encountered problems with European airlines. Finally, the call for a more simple procedure for logging complaints would simplify and demystify the complaints procedure for European citizens. This would be a victory for ordinary citizens against big business.

3-203

- Schmid report (A5-264/2001)

3-204

Alyssandrakis (GUE/NGL), *in writing*. – *(EL)* The only good thing about the report by the Temporary Committee on the Echelon Interception System is that it admits that such a system exists and that similar systems also probably exist. However, it tries to take our mind off our concerns by playing down its powers and general impact.

Worst of all, the report attempts to give personal and other data collection a legal basis, considering it a legitimate tool in helping to develop an EU security and defence policy to serve the needs of the rapid reaction force, to fight "terrorism" etc. It also considers that collaboration is needed with the intelligence services of the Member States of the EU. All in all, it "urges the Member States to review and, if necessary, to adapt their own legislation on the operations of the intelligence services to ensure that it is consistent with fundamental rights as laid down in the ECHR and with the case law of the European Court of Human Rights".

The report talks of "democratic monitoring and control" and "calls on the monitoring bodies responsible for scrutinising the activities of the secret services, when exercising their monitoring powers, to attach great importance to the protection of privacy, regardless of whether the individuals concerned are their own nationals, other EU nationals or third country nationals". It voices a degree of concern about industrial espionage, clearly in order to protect the excessive profits raked in by the monopolies. In all events, the report proposes encoding messages as the main form of protection.

These positions are irritating and most provocative when compared with the rudimentary demand for protection for privacy and for trade union and political activity. They are an attempt to convince us that we need to live with monitoring, with the personal electronic files of the Schengen Agreement and under the watchful eye of Europol and to shift the onus of protection to each and every one of us.

It is for these reasons that the MEPs of the Communist Party of Greece voted against the report.

3-205

Alavanos (GUE/NGL), *in writing*. – *(EL)* I voted against the motion on Echelon because, in my view:

First, it plays down the importance and the role of a global monitoring system which is directed by the USA and to which a Member State belongs (United Kingdom).

Secondly, it draws conclusions which cannot be fully substantiated, such as that it is not used for military purposes.

Thirdly, the approach taken in the motion to the issue of legal data collection leaves the way open for what is extremely dangerous indifference in this area to continue.

Fourthly, it gives the United States its blessing to continue its spying missions within the European Union, subject to what are, of course, wholly inadequate conditions.

Fifthly, instead of calling for support for transparency and democratic scrutiny of secret service activities, it flirts with the idea of setting up a "proper" European *Echelon* system.

3-206

Bordes, Cauquil and Laguiller (GUE/NGL), *in writing*. – *(FR)* We voted against this report, in protest not just at its accommodating attitude to the Echelon system, although we are not so ridiculous as to hope that the European Parliament can influence the decision of those who set it up, but above all in protest at the whole system of relations between states, as well as between financial and industrial groups, of which worldwide espionage is but one of the many consequences.

In their competing efforts to systematically bleed the planet, the big powers use political and military espionage as an instrument of their rivalry. The industrial and commercial secrecy extolled by all the defenders of the capitalist system in order to conceal from their people the many ways in which they appropriate and waste the riches of society is inevitably accompanied by industrial espionage. All these practices, in which every state that has the means to do so participates, infringe the democratic freedoms and rights of the individual.

Basically, this report's only concern is to protect European industrialists from the handicap of their American rivals discovering their little secrets via the Echelon system.

Even the changes introduced by some of the amendments for which we voted do not alter our opposition to the report as a whole or our disagreement with all the minority opinions, the most innocent of which differ from the majority text only in the derisory desire to improve, control or enhance the morality of a system that can neither be controlled nor made more moral. And we are certainly not claiming to be defenders of 'the logic of the free market', which is nothing but the law of the jungle.

3-207

Caudron (PSE), *in writing*. – *(FR)* I was one of those who had called for a committee of inquiry. For the sake of efficiency, I then endorsed the idea of a temporary committee.

Today, I have no regrets! Our committee (of which I was a member) did sterling work and Mr Gerhard Schmid, its rapporteur, proved highly capable.

A few months ago, most of the political leaders quite simply denied the existence of Echelon.

Now, in early September 2001, everyone (or nearly everyone) recognises that this American illegal espionage network covers much of the world and is 'watching' the commercial markets and the citizens' private lives!

True, this system is 'performing' less well than might have been feared, but it exists and that is intolerable!

The rapporteur proposes measures. Several groups find them inadequate. I can understand the views of some of them, because they are true democrats. But I will not be told what to do by people, especially from the extreme right, who 'could not care two hoots' about the freedoms of the individual.

For me, what is important, indeed fundamental, is to bring this matter into the public arena.

Nothing will ever really be the same again, whether in regard to the WTO negotiations, the development of new technologies or research (see my amendments to the Sixth Research Framework Programme)! Nobody will be able to pretend they did not know!

Thanks to the excellent Schmid report, which I endorse, our fight in this area is only just beginning.

3-208

Eriksson, Frahm, Krarup, Okking, Sandbæk, Herman Schmid, Seppänen and Sjöstedt (GUE/NGL), *in writing.* – *(DA)* We have voted against the report from the Temporary Committee on the ECHELON interception system. The report has a positive aspect, but all too many negative ones. The positive aspect is the Committee's confirmation that ECHELON exists. Among the negative aspects, the following three points, in particular, must be emphasised:

1. In spite of the Committee's conclusion that ECHELON does in fact exist, no precise political consequences of this have been successfully formulated. In our view, that is the least that could have been expected of a politically elected assembly.

2. The committee has chosen to focus upon the illegal interception of communications from private businesses and completely plays down the serious infringement of the right to privacy as formulated in, for example, the European Convention on Human Rights. What is more, the Committee draws no political conclusions in this area other than that the obligation under the Human Rights Convention to safeguard citizens' fundamental rights is also of benefit to individual citizens, who are urged to use encryption to protect themselves against the illegal interception of communications.

3. The Committee observes that one Member State is participating in the ECHELON cooperation on the illegal interception of communications. On this issue too, however, it does not draw any political conclusions at all. On the contrary, it encourages speeding up the development of European cooperation on intelligence matters – a form of cooperation in which the ECHELON country, Great Britain, is free to participate if it so wishes.

We are disappointed in the outcome of the Committee's work. The European Parliament has not complied with its responsibility to strengthen human rights. The fight for human rights is seemingly strongest when solemn speeches have to be made. When it comes to practical action, citizens' rights are subordinated to the interests of private enterprise.

3-209
Figueiredo (GUE/NGL), *in writing*. – *(PT)* The report of the European Parliament's Temporary Committee on the Echelon case states that there is no longer any doubt about the existence of a worldwide communications interception system involving the participation of the United States, Canada, Australia and New Zealand, but seeks to play down its reach and capacity and fails to understand all the serious consequences of the existence of an indiscriminate communications interception system, and for this reason, I have voted against the report.

It is unacceptable that a network should be maintained for the gathering and processing, in a secret and completely unmonitored way, of potentially any type of information, specifically political, economic and military, which clearly breaches the fundamental right to respect for privacy, enshrined in Article 8 of the European Convention on Human Rights and in Article 6 of the Treaty on European Union, which demonstrates the need to completely dismantle this global telecommunications interception network.

Although the report suggests some measures for developing systems and adopting protection mechanisms, specifically to protect privacy, in the face of this system – and other, similar ones... – and although it discusses measures of cooperation between Member States, which must take place at judicial level and not be information-gathering measures, on the basis of case-by-case analysis, under the supervision of the courts or even measures for monitoring information systems, particularly by national parliaments, what lies at the heart of all of this is that the system will continue to function and that an EU-level information system could be created and integrated into the CFSP and the CESDP, which is equally unacceptable.

It is incomprehensible that in the report's conclusions, no request is even made to the United Kingdom to disassociate itself from the Echelon system and to Germany to close the interception base located in its territory. It is deplorable that the EU is more deeply concerned with industrial espionage than with the monitoring of individuals and is quite nonchalant about the fact that some Member States have a system for spying on other Member States, with the participation and possible control of third countries, specifically the USA.

3-210
Lambert (Verts/ALE), *in writing*. – Given that Parliament voluntarily limited itself in the nature of the Enquiry, there is much to be welcomed in this Report. I am pleased that ECHELON's existence is recognised and that the need for transparent international agreements is acknowledged.

However, there are 3 main reasons why I voted against the Report.

Firstly, I believe that member states involved in ECHELON must disengage from this murky, undemocratic system – the report does not make this clear.

Secondly, I feel there is a calm acceptance in this Report that the EU must run an intelligence system as part of the CFSP. I believe that the CFSP threatens freedoms such as open access to information and personal privacy. We know that, whatever the safeguards on paper, these do not always apply in practice.

Thirdly, the implications of such systems for individuals are not clear. While the report says much about the need for protection of privacy and monitoring of the secret services, what should the individual do? They can no longer communicate in confidence. There is no real answer.

Thus, I cannot support the report.

3-211
Marchiani (UEN), *in writing.* – *(FR)* The main effect of Mr Schmid's voluminous report is almost to make us forget the original question.

In fact, neither the rapporteur's talent nor the courtesy of the chairman of this committee can make us forget that the strategy followed throughout was to drown the fundamental questions in a general debate which, ranging from moral judgments about the activities of the secret services to doubtful statements about technological matters, attempted to cover everything and everybody except Echelon and those who help to run it.

Yet at a time when the process of European integration is so clearly running out of steam, such fundamental questions would have deserved better than this deafening silence. And we will certainly have to pose them again.

Firstly, to the extent that it has been shown that EU Member States participate in Echelon, does this whole business not amount to anything more than a blatant violation of the EU Treaty? And if so, what sanctions are being envisaged?

The rapporteur answered yes to the first question. But what consequences did he draw from this? None, because he did not even address the tough but logical issue of sanctions, not even to explain why he refused to contemplate them. So people are sleeping easy in London and Berlin, because this Parliament, normally so prompt to be roused to indignation by the slightest attack on the constitutional state in any of the four corners of the world, has not even remonstrated about a blatant violation of the principles of the Treaty!

Secondly, since it has become clear during our activities that the European Union cannot embark on any large-scale defence and security operation without technical and logistical support from NATO, is there any point in laying the foundations for a European system equivalent to Echelon without first giving a political clarification of the relations between the European states that are members of Echelon and the Union, and in particular between the Union and NATO?

For the real source of the rapporteur's embarrassment is indeed the fact that so long as the EU so obviously remains technically and financially shackled to NATO, the supposed European solidarity will give way to Atlantic solidarity, the sequel to the cold war, which is incompatible with the existence of an independent, European common defence and security policy.

The plain fact is that the majority of this Parliament – the same Parliament that adopted preventive 'apartheid' measures against the new, democratically elected Austrian government, that seriously considered placing Silvio Berlusconi's government under surveillance – is refusing to take measures against Member States that have now been proven to be supporting an activity that contravenes the provisions of the Treaty, that does serious damage to European firms and represents a permanent threat to individual freedoms. The least one could say is that there are indisputably two weights and two measures and that to be fair we can only describe this business as a real scandal.

Yet for once, looking at the real problems raised by Echelon, we could have held a genuine debate on the basic principles and objectives of European integration: we could have seen the European nations for what they are, with their own history and their own loyalties. We could have asked ourselves what type of Europe we wanted to build.

The answer this gives us by default – a Europe shrouded in fog and in words left unsaid, a coward that submits to the law of the strongest – is, in many respects, quite dismaying.

3-212
Meijer (GUE/NGL), *in writing*. – *(NL)* A few years ago, the existence of ECHELON was still emphatically denied. After all, the organisation was secret, and the objective of such secrecy is to prevent the people from knowing of its existence. Such a state of affairs is, of course, completely at odds with democratic decision making, transparency, public order and the protection of individuals. It is a major step forward that it is now openly being admitted that an EU Member State has been working with the United States, Australia and New Zealand on worldwide espionage for a long time, something which may well adversely affect people, organisations and businesses within the EU. However, the report does not draw any worthwhile conclusions from this. It accepts that as a result of the outcome of the Second World War, with the United States playing a dominant role in Western Europe, such agreements were made and that these have persisted through time. The conclusion should be that the United Kingdom should choose between membership with the EU and that of ECHELON, that cooperation with this system on the part of citizens of EU Member States will be penalised, that similar espionage systems of other Member States will be abandoned and that telephone traffic will no longer be tapped. The passive stance of a two-thirds majority of this Parliament is sanctioning a Europe of snoopers. I do not agree with this.

3-213
Muscardini (UEN), *in writing*. – *(IT)* I voted against the motion with great indignation: we would never have imagined that we might be spied on as Europeans, as free citizens, as businesses, not just by our Nato allies but even by our European partners as well.

There needs to be an enquiry into the United Kingdom's behaviour in order to understand fully not just the government's responsibilities but also what European sentiments link the United Kingdom to the rest of the European Union and even whether these sentiments and political will actually exist.

There are certain questions we must ask. Since this espionage system exists, why was it not used to prevent the violence which took place during the international summits, most recently the summits in Gothenburg and Genoa? It there any plan to dismantle the system or to make it democratically useful to all so that we can achieve even the globalisation of personal thoughts? How are the United Kingdom, and Germany too, going to explain this betrayal to the European citizens? Could it be that the slowdown in European cohesion, which is becoming increasingly politically and culturally insipid and increasingly weak economically, is partly caused by new information being received and disseminated using Echelon?

These are important questions which require a committee of inquiry to be set up.

3-214
Souchet (NI), *in writing*. – *(FR)* There are two main reasons why I am opposed to the motion for a resolution drawn up on behalf of Parliament's Temporary Committee on the Echelon interception system.

On the one hand, the proposal for a covenant between the European Union and the United States hardly seems relevant for, however good the intentions, it would most likely have no practical effect. At the same time, if, as its supporters say, Echelon can act as an effective multilateral instrument in the fight against organised crime, terrorism, drugs and arms trafficking and money laundering, then it is not a covenant of mutual good intentions that we need to sign with the United States. What we need to negotiate is the means of enabling every state that wishes to be involved in active international cooperation in these essential areas to join the Echelon system, which would thus become an open system.

On the other hand, the motion for a resolution is used as a pretext to address a whole range of questions that have no bearing whatsoever on the temporary committee's real task. In the midst of this hotchpotch we come across paragraph 5, which reflects the federalist obsession with seeing the next IGC make the Charter of Fundamental Rights legally binding, so that it can constitute a legal basis for appeal, as though the existing protection guaranteed both by national constitutions and by the universal and European declarations on human rights were null and void. This really is a distortion of the debate on Echelon that cannot be accepted.

3-215
Vattimo (PSE), *in writing*. – *(IT)* The Italian socialist delegation and the other socialist Members, particularly the French socialist Members, abstained from the final vote on the Schmid report. I too abstained from the vote, and I would like to explain why. I have good reason to believe my views are shared by the other Members.

I find it absolutely incomprehensible, not to say outrageous, that the European Parliament, particularly the Group of the Party of European Socialists, to which I belong, should have rejected certain amendments – the ones I referred to when I spoke during the debate: Nos 16, 17, 18, 19 and 22 – which seek explicitly to emphasise that large-scale, indiscriminate interceptions such as those performed by Echelon are a blatant violation of the human rights recognised by the European Convention on Human Rights and other international conventions. In rejecting these amendments, with the support of the majority of socialists, Parliament has implicitly made it possible – although it may not be completely aware of this – for the private communications of European citizens henceforth to be listened in to by Echelon and similar systems 24 hours a day, with no respect for the principles of legality and proportionality upheld by the European Convention on Human Rights and our Charter of Fundamental Rights. I call upon the Council and the Commission, who are more aware of the need to respect the principles enshrined in the Treaties, to correct this dangerous drift.

3-216
(The sitting was suspended at 1.43 p.m. and resumed at 3 p.m.)

3-217
IN THE CHAIR: MRS LALUMIÈRE
Vice-President[1]

3-218
Conclusions of the G8 meeting in Genoa

3-219

[1] *Name of political groups:* see Minutes.

President. – The next item is the statements by the Council and the Commission on the conclusions of the G8 meeting in Genoa.

Madam President-in-Office of the Council, I give you the floor.

3-220
Neyts-Uyttebroeck, *Council*. – *(NL)* Madam President, Commissioner, ladies and gentlemen, since the end of 1999, massive demonstrations have accompanied every major international meeting. We saw demonstrators from far and wide gather at the Ministerial Conference of the World Trade Organisation, IMP and World Bank meetings and the meeting of the World Economic Forum at Davos.

Since the end of last year, the summits of the European Council have also become the subject of massive protest campaigns. Nice and Gothenburg spring to mind. The recent G8 Summit in Genoa was the latest cause for massive protest. If these manifestations were conducted without any violence, we would be able to focus on responses to questions and concerns expressed by the demonstrators and those who support them. Unfortunately, the protests in Nice, Gothenburg and Genoa were attended by a high level of violence despite the fact that the organisers of the protests had dissociated themselves from the violence. Alongside the disruption for the people living in the cities where the summits and protests took place, and the material damage to houses and goods, the clashes have unfortunately also taken their human toll: a number of wounded and – what is worse – two fatalities.

We are willing to establish a constructive dialogue with civil society, with the NGOs and with all those who give peaceful expression to their concern about globalisation, but we reject and condemn the violence which has more than marred the latest protests.

3-221
(FR) Madam President, ladies and gentlemen, the European Union must respond in two ways to the events I have just described.

Firstly, it must prevent violence, whatever form it takes, in order to safeguard the area of freedom, security and justice that the Union represents, not just in law but also in fact.

Over and above that vital concern, it must also respond to the anxieties and questions of all the protesters. As you no doubt are aware, the Justice and Home Affairs Council considered the first aspect at its 13 July meeting, while the General Affairs Council considered the second one on 16 July.

The Council of Justice and Home Affairs Ministers called for close international cooperation based on the existing legal instruments and the use of instruments such as the provisions of the Convention applying the Schengen Agreement and the joint action of 26 May 1997 on cooperation in the field of law and order and security.

Nonetheless, responsibility for the maintenance of law and order on the territory of EU Member States always remains within the sole remit of each state's national authorities.

The Council does not have the power to adopt a position on a matter for which the Treaty has not given it competence. Let me assure Parliament that my country will be guided by the desire to prevent rather than the resolve to repress.

The General Affairs Council emphasised, and I quote, 'the need for the European Union and its democratically elected governments to make every effort to interpret the political dimension of globalisation and to address the concerns which globalisation is giving rise to in our societies, so as to properly manage the structural changes under way with the aim of contributing to the international community's political, social and economic progress'.

'In this context', and I am still quoting, 'the ministers feel it would be useful to continue a constructive dialogue on globalisation and its consequences with the social partners, the NGOs and the other representatives of civil society. Parliaments should be involved in this dialogue. The Commission and the Council will publish a detailed rationale of the already very positive role played by the European Union in this regard.

The Council considers that the political debate on globalisation and the dialogue with European civil society is a task which the European Union must carry out in the coming years so that it can influence its repercussions and fully benefit from its advantages. The Council emphasises the need to enter into a deeper dialogue with the developing countries so as to take into account their concerns vis-à-vis globalisation.'

Madam President, the presidency of the Union is particularly interested in these issues and over the coming weeks the Belgian Prime Minister Guy Verhofstadt will publish his personal views in an open letter that will be very widely circulated.

3-222
(NL) Along with a number of MEPs, I belong to the generation which was graduating and starting work when a storm of protest, partly fuelled in the United States, but with a definite European identity, broke out. Tradition associates it with the magical year of 1968, but anti-establishment activity had been brewing for a number of years and was to carry on for a few more years still. It was a very exciting time, brimming with ideas, new concepts and action. I would not have missed it for the world.

However, I also remember my embarrassment on behalf of those who were as old as I am now and claimed to be on our side, to understand us completely and to know exactly where we were coming from. I will therefore not make the same mistake, but what I would say, on behalf of the presidency and on my own behalf, is that anti-establishment activity in itself is a good thing. The *pensée unique*, whatever *pensée unique* that may be, can never remain fruitful for long, and history is never-ending, whatever thoughts Marx, Engels and much later, Fukuyama may have had on the matter.

In my capacity as President-in-Office of the Council, I will not hazard an ideological debate. However, I do want to underline that the management and organisation of globalisation is precisely the task of the international, even global, organisations, and that the European Union is a excellent example of such organisation. It is therefore paradoxical for the protesters to fight precisely those institutions and organisations. The World Trade Organisation, for example, does not organise the economic and commercial anarchy, as some seem to think. It organises and regulates trade, it determines rules which apply universally and it operates by consensus of all affiliated states, which now number over 140.

3-223
(FR) Ladies and gentlemen, it would be quite improper to pretend that the globalisation of trade, the globalisation of industrial production and the increasingly monetarist approach to the economy offer nothing but advantages. It would be wrong to claim that the emergence and development of the new technologies have only brought benefits. We have to admit that these developments give rise to new divisions, new exclusions. In addition to the old division between poor and rich, whether individuals or nations, we now see the division, at the very heart of our societies and between the nations of the globe, between those who have access to the new technologies and those who do not, or who do not have the necessary training to make use of them. Insofar as the protests raise all these questions, it is up to us to answer them. Insofar as the debate is an ideological one, for instance where the protests are levelled against capitalism, the responses will obviously vary depending on our respective ideological positions.

Over and above these ideological divisions, however, I believe there is no dispute about the need to keep globalisation under control. How can we derive the most benefit from it? How can we minimise the damage it does? How can we prevent exclusion and enable the largest possible number to enjoy its advantages? It is up to our societies, and especially the political authorities in our societies, to provide the answers. Over and above laying down the necessary rules to contain globalisation, the members of the international community must pursue a deliberate policy to safeguard international peace, to share the benefits of the growth of world trade more fairly and to ensure greater respect for the principles of justice, democracy and respect for human rights.

In this context, the international organisations, in particular the United Nations, must play the role their founder expected of them. The European Union is particularly well equipped to cope with globalisation. In a sense it is a blueprint at European level for regulating globalisation. The Union has managed to reconcile the establishment of a single market with respect for social justice and environmental standards. It is, if you like, a model of its kind. For the protesters to single it out as a particular target is yet another paradox. The European Union and its institutions therefore have a great deal to do in the way of clarification. I told you that we propose to embark on this task, but we can only do so in a peaceful context, free from violence.

(*Applause)*

3-224
Vitorino, *Commission*. – Madam President and honourable Members, I am glad to present on behalf of the President of the Commission a report on the G7/G8 summit in Genoa.

From 20 to 22 July this year, the Commission President took part in the G7/G8 summit, together with the current President of the European Council, Guy Verhofstadt.

The summit took a number of important decisions. However, most of the media attention was focused on events taking place outside the summit, on the city streets. These events confirmed that the G8 needs to engage in a genuine dialogue with civil society and with non-member countries.

Demonstrators must have the opportunity to express their opinions. This is an inalienable right not only guaranteed in law but also defended in practice. People are genuinely uneasy about various aspects of globalisation, and we must pay attention to their concerns.

However, violence disfigures any demonstration, even one held in an honourable cause. We cannot allow peaceful demonstrators expressing genuine fears and concerns to be tarred with the same brush as those who commit acts of violence.

To combat violence, whether at Gothenburg or Genoa, we need to improve European cooperation in the field of law and order. The Justice and Home Affairs Council discussed these issues in late July, and the events at Genoa show how urgent it now is to take action.

But I would like to remind all of you that according to Article 33 of the Treaty the primary responsibility for the maintenance of law and order lies with the Member States. Member States recognise, however, that better cooperation is required between their law enforcement and judicial authorities in order to safeguard public order at European Council meetings and similar events. The decisions of the Justice and Home Affairs Council were built upon the existing structures and existing legal instruments, which means that there will be no specific institutions to deal with these issues. It goes without saying that the Commission has always stressed the need for all police and judicial actions to respect the civil and human rights of the citizens and the legislation providing for privacy protection and for the respect of civil liberties.

We have to reflect on a political response to the two hundred thousand demonstrators in Genoa. It is the profound belief of the Commission that the Union should promote an active dialogue with bona fide organisations which peacefully exercise their rights to freely express opinion and assemble. We believe that the European Parliament should play a major role in promoting this dialogue.

The demonstrators want us to tackle the widening gulf between the northern and southern hemispheres of our world, a gulf created by inequality, poverty, disease and war. In spite of our efforts and even some achievements over the past forty years, tragic disparities and social injustice remain and we have a long way to go in overcoming them.

This is the challenge not only for the G8 but also for our Europe in the years and decades ahead. The Union has to support those political leaders, especially in Africa, who are on the side of democracy. It has to prevent illegal trafficking in arms between the North and the South. And it has to implement policies that strengthen the economies of the poorest nations. Policies such as the "Everything but Arms" initiative that has opened up our markets to products from the least-developed countries are a good example of this approach.

Fortunately, public opinion today is increasingly concerned about where the world is going and people recognise that this North-South inequality cannot be tolerated. The Commission is well aware of the growing importance of civil society and is eager to involve citizens' associations and NGOs in shaping and implementing EU policies.

As the Commission President said yesterday, when discussing governance in this plenary, "the Union is still the only concrete, practical and democratic response to globalisation". It is therefore essential that the European institutions operate on the basis of five fundamental principles: openness, participation, accountability, effectiveness and coherence. We need to engage in an open and systematic dialogue with civil society and to involve all stakeholders in designing the Union's policies.

It is also essential to strengthen the Union's voice and influence in the world so that Europe can make a greater contribution to international prosperity and stability. Multilateral institutions are the key to harnessing globalisation, but of course we underline that we want to help reform the multilateral organisations, making them more open, more accountable and more democratic.

In this connection, a particularly important event took place in Genoa – the "outreach" meeting with leaders of several non-member countries. This was a very useful meeting, enabling important representatives of southern countries to express their views directly and frankly and to discuss matters openly with the G8 Heads of State and Government. As a result, the G8 decided to make Africa one of the main topics of next year's summit in Canada.

The Commission for its part can be satisfied with several of the decisions taken at Genoa. The documents on trade, food safety, climate change and communicable diseases, as well as the emphasis on Africa, by and large reflect the Commission's preparatory contributions to the summit.

On trade, there was complete agreement on the need to launch a new round of talks at the ministerial conference in Doha in November. This view was, by the way, reiterated last week in Mexico City.

During the discussion on trade, President Putin stated that Russia was ready to follow the example set by the European Union in its "Everything But Arms" initiative.

On food safety, the European side successfully insisted that the final Communication include a reference to the precautionary principle.

The G8 had a very long discussion on climate change, opening the way for the conclusions reached at Bonn a few days later and I believe you have discussed these conclusions at this part session.

The summit also provided an opportunity to launch the global health fund. The purpose of this international fund, which will not be limited to the G8 countries, is to help reduce poverty by dealing with the problem of AIDS, malaria and tuberculosis. The Community, for its part, is committed to providing EUR 120 million.

As on every occasion when the current presidency of the Union is held by a State that is not a member of the G8, the Union was represented at the summit by the Council President and by the President of the Commission. The tandem arrangement worked extremely well and I am pleased to be able to underline that here.

We are sensitive to the fact that several aspects of the G8 will have to be changed in the future and not just cosmetically. The Commission, for its part, will encourage a return to the original spirit of the G8 summits. Indeed a joint decision was taken in Genoa to reduce the size of delegations and the summit to be held in Canada next year will be much simpler and – we hope – more effective.

(*Applause*)

3-225
Tajani (PPE-DE). – *(IT)* Madam President, it was with some satisfaction that I listened to the statements of the Council and the Commission for we have, at last, started to address the fundamental subject of the G8. Indeed, in recent weeks, we have endeavoured to discuss issues of law and order, and we will have the opportunity to deal with this subject as well. However, there has been very little talk of the results of the Genoa Summit, which I consider to be positive, in terms of the fight against hunger in the world, against poverty and against AIDS; positive results of a summit under Italian management which, at last, saw the President of the United States and the President of the Russian Federation in dialogue across the table: these were things we would have not have believed possible, and so a powerful message of peace issued from the G8 cities.

We would have liked to launch this debate in Parliament on the contents of the summit before the summit actually took place, but were prevented from doing so by the rejection of our proposal by many left-wing Parliamentary groups. We are convinced that, for the first time, as Commissioner Vitorino pointed out, the G8 witnessed a focused debate on practical issues between the leaders of the world's most industrialised countries and the leaders of the African countries, in which they discussed practical issues and also launched a project for cooperation on the proposal for African union, presented by the industrialised countries with the aim of setting up a partnership with these countries. An operation to reduce the debt of 23 countries by USD 50 billion, which is 70% of the total debt, was launched.

The go-ahead was given for a project which seeks to modernise the countries of the developing world: this is an extremely positive development. Positive, tangible results were achieved, but then it was attempted to turn the G8 summit into a mere question of law and order. There is much to be said on the subject of what happened, about the exploitation even of Parliament which went on. Parliament must not become the scene of debates on major national issues; it must not become the forum for national debates. Clearly, there can be no objection – and we must make this quite clear – to anti-globalisation demonstrations carried out using lawful methods which do not involve acts of violence, but globalisation cannot be opposed, the summits cannot be opposed through violent demonstration and attacks on the police. The inquiries carried out by the Italian Courts reveal that European citizens, who came to Italy from elsewhere to organise violent demonstrations of the Union, are also responsible.

Mr President, I would like to end by pledging once again the support of the Italian police force and stressing the need for closer cooperation between police forces and between Ministers for the Interior. Such cooperation may have not have been adequate at the G8 summit and we must concentrate on improving in this area.

Finally, in my opinion, the proposals made in Parliament to place Italy under observation are ridiculous. Italy does not need lessons in democracy from any political grouping in Parliament.

3-226
Barón Crespo (PSE). – *(ES)* Madam President, Madam President-in-Office of the Council, Commissioner, the Socialist Group has requested this debate for two reasons.

The first is because the conclusions and work of the G8 summit were obscured because the debate concentrated on public order. I must especially thank Mr Vitorino for having talked to us about the results of a summit whose agenda was set by a government, that of Olivo, in Italy, and which was discussed in the European Parliament – Mr Tajani, you were engaged in a municipal campaign, but it was discussed here – and, furthermore, we have asked for a resolution on this debate which has been replied to and denied by the PPE. We do not understand why they want to speak but refuse a resolution.

However, in any event, ladies and gentlemen, what I would like to point out is that we clearly said that the President of the Commission and the President of the Council were in the Genoa photo and we regret that they have not had time to come to this debate if they considered it so important.

And I must point out that some positive advances have been made. Commissioner Vitorino has referred to them. I would say that, on the cancellation of debt, little progress has been made. The fund for AIDS, malaria and tuberculosis is a positive step, although it is still not enough. Africa must be a priority; also the desire for flexibility in the TRIPs Agreements and the 'everything but arms' initiative as well as the extension of the system of generalised preferences are aspects which we Europeans should be proud of and should value more. In addition to this there is our firm position on Kyoto which, despite United States resistance, has allowed us to reach a solution in Bonn.

I believe that as a Parliament we must bring this to account and hold a debate because, furthermore, my political family, the Party of European Socialists, which is a member of the Socialist International – we are internationalists and we have been globalised since the Nineteenth Century – is an organisation which is present in 160 countries in the world, and is not just an organisation of white men, that is to say, it is an organisation of all continents. Therefore, the issue of globalisation which, at our last congress of the International in Paris, two years ago, led to a resolution on the challenges of globalisation, must be, as far as we are concerned, a permanent element of European policy.

Lastly, a comment on issues of public order. My group has said, from the outset, that it is awaiting the conclusion of the investigation which is being carried out in the Italian Parliament on these issues, because we respect the Parliament of an important democracy which is a member of the European Union. This does not prevent us from demonstrating a very critical position in relation to the rights of European citizens contained in the Charter of Fundamental Rights. There are no public order policies which restrict citizens – and I say this to the Belgian Presidency – in their right to demonstrate and give vent to their feelings. A responsible public order policy must guarantee those rights, not repress them. Just as football cannot be prohibited because of fights between hooligans, rights cannot be restricted because there are nuclei of provocative vandals.

A final request, Madam President, Madam President-in-Office of the Council, Commissioner, ladies and gentlemen: to mention civil society has become so commonplace that it is almost impossible to make a political speech without talking about it. But what I cannot understand is that people talk about speaking with civil society and then they put a comma and say, 'and with Parliament, of course'. Society becomes civil when it elects its representatives and therefore the first duty of the President of the Council and the President of the Commission, when they go to these summits, is to come to Parliament and report on them.

3-227

Procacci (ELDR). – *(IT)* Madam President, Madam President-in-Office of the Council, Commissioner, the events of the last G8 summit in Genoa could prevent us from focusing on the genuine major issues at hand. I will therefore concentrate on these latter issues rather than on aspects which, although important, will be discussed within the Committee on Citizens' Freedoms and Rights, Justice and Home Affairs and on which it would be appropriate to wait for the opinion of the Italian Parliament, which has set up a special committee of inquiry. Parliament will, of course, be able to address the issue in a fully informed manner in the future, although, at this point, we can certainly condemn and deplore the use of any form of violence by any party whatsoever in an attempt to resolve issues.

It is therefore absolutely essential for Parliament to discuss the major issues of globalisation now and then to lay down a clear political line to follow, undertaking to define tangible parameters to shape the globalisation process, ensuring that its ultimate goal is the development of a new, comprehensive humanism which places at the centre of history the dignity of the human person rather than large-scale financial interests. In this sense, far from being an inevitable source of suffering, globalisation is proving to be a great opportunity to genuinely change the balance of play in the world and confront the dreadful scourges afflicting much of humanity which, in these times in which we live, mean that none of us can be sure of our moral innocence.

Even if we take into account the not insignificant humanitarian decisions taken at the G8 summit, it is not easy to accept the considerable unwillingness to change the development model, even partially, step by step. The model remains essentially focused on consumerism and an unregulated market rather than on accepted criteria of solidarity and participation.

The basic need is therefore to identify a political and institutional position which is acceptable to everybody and which can be used as a guideline for the globalisation processes. This clearly has to be something more than just the G8. We must speed up our work on this issue if we want to avoid irreparable damage, for we must start from the realisation that the globalisation of politics – the democratic control of the processes of globalisation – proceeds at an exasperatingly slow pace compared to developments in other sectors.

There is no current "off-the-shelf" recipe, but I feel that we could start from proposal of the 1996 Nobel Peace Prizewinner who envisages a permanent summit made up of the European Union, the G8, the World Bank, the group of 77 developing countries, Onlus and undertakings to launch and manage a great, worldwide Marshall Plan based on a common universal strategy. That could be described as a utopian dream, but, as Thomas More, the father of Europe would say, without a utopian dream, what would our politics be?

3-228
Lannoye (Verts/ALE). – *(FR)* Madam President-in-Office of the Council, Commissioner, I believe the G8 summit in Genoa will come to be regarded as a milestone in our political life and will probably be seen as marking a turning point in European and international political life. This is not, unfortunately, because of the joint undertakings given by the richest countries in the world to respond to the serious problems facing the poorest countries – and let me point out that the North-South gulf has never been so wide – but rather because of the particular context in which this summit took place.

Mr Vitorino has rightly reminded us of certain decisions or at least guidelines that were adopted at that summit, but I do not think we should give them more importance than they deserve. It is true that we heard a rather timid acknowledgement of the importance of relieving the debt burden on the poorest countries, but no more than that. It is also true that a global health fund was set up to combat infectious diseases, but the total funding is pretty inadequate; it was set at EUR 1.3 billion, while the UN Secretary-General believes that EUR 10 billion is needed. On the other hand, there is no sign of any common resolve to rectify the inequalities by achieving the long-promised objective of contributing 0.7% of gross domestic product to development aid. There is no more talk of that.

The participants did, however, vigorously reiterate their faith in the virtues of the market, free trade, the development of new genetic engineering technologies and the international trade rules. Today, the European Union certainly wants to launch a new WTO round, but is that any answer to the problems caused by the unfair WTO rules? The WTO's decision-making rules are indeed unfair in that they penalise the poorest countries compared with the rich ones, if only by giving the poor countries limited access to the information that would enable them to play a proper part in this decision making.

So, no response at all, no real response to the demands and protests of tens of thousands of demonstrators – and, more generally, of a very broad sector of European public opinion – who reject or challenge a globalisation that is essentially financial and commercial. It is not globalisation as such that they are protesting about, but its basically financial and commercial nature. I think that distinction needs to be made.

I therefore believe that the European Union must take specific initiatives in this regard and first of all it must no longer seem deaf to the voices of protest. In this context I welcome the Belgian government's proposal to debate the Tobin tax at the next Ecofin summit. I think that is a good initiative, which ought to be followed by others of the same kind. First and foremost, however, we need to establish a real dialogue with the parliaments: Mr Barón Crespo is right to say that parliaments are, after all, the prime representatives of public opinion; that is obviously true. The European Parliament and the national parliaments must be the forum where the governments explain their initiatives. In addition, however, to the parliaments – for we are no longer living in the conventional world of politics we knew 50 years ago – we must talk to the associations, talk to organised civil society. In my view, that is essential. Many associations have put forward important ideas and serious arguments; to dismiss them is a political error.

Like everyone here, I deplore and condemn the violence of the Black Blockers demonstrators but, at the same time, I can only condemn the unacceptable behaviour of the Italian police who trampled on human rights in Genoa.

3-229
Wurtz (GUE/NGL). – *(FR)* Madam President, Madam President-in-Office of the Council, Commissioner, the morning after the G8 meeting my group, which was very much present in Genoa, immediately called for this debate to be entered on the agenda of this new session of Parliament.

The conservative majority in this Parliament, which is feeling very defensive, prevented this debate from concluding with a resolution in which Parliament expressed its opinion. It will not, however, manage to prevent us from raising the serious questions arising from the events at Genoa again and again on our political agenda, in one form or another, throughout the coming period: the aftermath of Genoa is only just beginning.

One of the issues raised by Genoa is the very legitimacy of G7, or G8, perceived as a kind of board of directors of the big powers of this world. I will not go into that today. Another issue raised by Genoa is, of course, this whole problem of violence, in particular the unheard-of repression of peaceful demonstrators, who were pursued even to the headquarters of the Social Forum of Genoa.

Yesterday we took the initiative, in association with the Green Group, the Attac association and socialist MEPs, of organising a major debate on the subject with the coordinator of the Genoa Social Forum, Mr Agnoletto. The extremely grave incidents that were discussed and described during that debate made us even more convinced of the need to shed full

light on the course of events that led to the dramatic incidents and acts of violence we saw and on the entire chain of responsibility for respecting the rules and values in which the European Union believes.

For the rest, I proposed that we set up a monitoring committee right here to work in liaison with Italian members of parliament, the Social Forum in Genoa and other partners who wish to help discover the whole truth of the matter. In the same spirit, we have reiterated our support for players in the social movement who do not want to see their message be perverted by acts of violence of the Black Block type, which our enemies find easy to manipulate. We will not allow this magnificent commitment on the part of our citizens to be discredited, let alone criminalised, in this way. That brings me to the third, and perhaps in our view the principal issue of the aftermath of Genoa, namely the political responses we will or will not be able to make to the questions asked by these men, these women, these innumerable young people who are quite wrongly labelled anti-globalist, whereas most of the time what they seek is a democratic globalisation based on solidarity.

At a time when the European Union is debating its future, its ambitions on the world stage and its relations with civil society, we for our part do not see these questions as a threat to be averted, but far more as a chance we must seize if we want Europe to move forward.

3-230
Muscardini (UEN). – *(IT)* Madam President, the positive results of the G8 must bind our governments to respecting the agreements established on combating poverty and regulating globalisation; we must not see, as we have in the past, the commitments made not being respected or being excessively delayed.

Two thirds of the world live in conditions of extreme poverty. Our aid must be targeted at genuinely benefiting communities rather than adding to the economic and political wealth of governments who have contributed to exacerbating the wretched conditions in which their peoples live and continue to prevent respect for human rights. We call for focused actions targeted at implementing initiatives which are genuinely useful for the people, and we must also, therefore, attempt to rethink the concept of globalisation. Is a European way possible? Can we prevent globalisation becoming a boomerang which always strikes the poorest communities?

I regret to say that, at Genoa, according to some elements of the media and certain politicians, public disorder pushed the issues discussed and the guidelines defined by the summit leaders into the background and yet, for the first time in the presence of representatives of the developing world, issues were tackled which are fundamentally important for the peaceful future of the human race.

Unfortunately, even the legitimate opinions of the peaceful demonstrators were obscured by the globalised violence of those who have become professional rioters. Faced with the urban guerrilla warfare which has reproduced the acts of violence perpetrated at the Nice and Gothenburg Summits, we must tackle two pressing issues. Firstly, how can we ensure that democracy is respected on similar occasions in the future? In other words, we must ask ourselves how future summits held in European countries need to be organised in order to ensure that the meetings of representatives of the different institutions are productive and not the cause of fruitless, violent controversy. Secondly, what political and cultural measures can we take to prevent legitimate demonstrations of dissent turning into organised, exploitative acts of violence? Is there an area of justice within which Interpol could play a role of preventing and controlling the spread of violence and terrorism?

Moreover, in the face of Commissioner Vitorino's call for greater cooperation to prevent violence, we wonder why Echelon which, with the help of Great Britain, listens in on everything that happens in Europe, did not warn us before Gothenburg and Genoa and help to prevent the violence which took place there.

These are worrying questions and we will come back to them. It is not Italy which needs to be placed under observation but that part of Europe which speaks of human rights in this Chamber and then allows those same rights to be violated, and the self-interested generosity of certain left-wing voices which condemn violence as a means of persuasion.

Madam President, ladies and gentlemen, first of all, Europe needs to act today to make it possible for the goals set at Genoa to be implemented. Its governments must not exploit tragic events that should be tackled by a common effort, for the purposes of internal politics.

Europe must regain a sense of European Union rather than national self-interest!

3-231
Cappato (TDI). – *(IT)* Madam President, when it comes to political responses to globalisation, we ask you not to force us to choose between Genoa and Durban, between the G8 summit of the major democracies of the western world, the Genoa Summit, and the UN meeting in Durban. Of course, we will choose the Genoa Summit over international fora where it is the dictatorships of this world that have the majority and the decision-making power and whose final decisions are those of a racist conference, not a conference on racism. Otherwise, we would be saying we are dissatisfied with both the G8 method and the method of this European Union. We feel that the western democracies must relaunch the method of

democracy and the rule of law, that they must attack rather than playing a defensive game and must relaunch the initiative of the globalisation of rights and democracy.

Madam President-in-Office of the Council, if the European Union genuinely has the political will, it should not be possible, at this advanced stage in the process, for the statute of the International Criminal Court to still not have been ratified. It should not be possible for the universal moratorium on the death penalty not to have been approved by the UN. It is on these issues that the western democracies must fight back.

On the subject of the G8, these summits must be made public. It is not a question of coopting representatives of NGOs or representatives of the poorest countries. It is a question of involving the parliaments and all the citizens, broadcasting the debates on these issues to them live via audiovisual communications and the Internet, opening the doors of these international summits to all citizens and revitalising the democratic model and the rule of law. This, I believe, is the way to improve the G8 summits and this European Union, and it is the alternative to satisfying those who call for institutions in which the worst dictatorships in the world have the right of veto to be at the central controls of globalisation.

3-232
Ferri (PPE-DE). – *(IT)* Madam President, I have asked for the floor in order to protest vehemently against the extremely serious allegation made against the Italian police force. This accusation is completely unfounded and unjustified. Clearly, the Member in question is unaware of how things really are and I would therefore ask that his comment be removed from the Minutes or that the European Parliament considers, in this House, the consequences of such a serious statement, which I do not feel should have been made in this Chamber.

(*Protests*)

3-233
President. – Mr Ferri, that was not a point of order.

3-234
Fiori (PPE-DE). – *(IT)* Madam President, I would like to thank the Belgian Presidency and Commissioner Vitorino for their introduction and to make two points of a political nature.

Firstly, I think everyone is aware of the active, prominent role taken for the first time by the European Union at the G8 summit. Although it may well be true that the results could have been better in practical terms – as other Members have stressed – I would like to quote a politician who is not from my own culture but who is known to many in this Chamber: "The longest journey begins with a single step!" And without a doubt, a completely new way of working was established in Genoa compared to that adopted for all the other G8 summits.

Secondly, I am sure that the goal of all the Members of this House is to achieve increasingly closer Union between the peoples of Europe, and that we base our future work and our political activity on consensus, democracy and the law.

Well then, with regard to the Genoa Summit and the messages which subsequently emerged through the media, what concerns me is an attempt to deny representative democracy. I find this unacceptable. It may be part of the culture of others, but we must reject violence because violence is contrary to the way civilised human beings relate to each other in our culture and, above all, we must adopt an approach which is totally different from this blanket opposition.

I will end with two brief points for consideration. We did not support the resolution because – as I am sure some of you will remember – in July, we wanted a debate to be held so that we would arrive prepared, as the European Parliament, together with the Council and the Commission, at the Genoa Summit. This was refused us: we only had time for an oral question.

Secondly, in my opinion, in view, apart from anything else, of the tendencies of some of the previous speakers, I would wait for the conclusions of the work currently being carried out by the Italian judiciary before firing accusations or making scathing judgments about the work of the Italian police force.

3-235
Napoletano (PSE). – *(IT)* Madam President, the course taken by the G8 in Genoa provides food for thought for the governments, particularly the governments of the eight protagonist countries, but also for the Commission and the Council, the institutions, the parties and the movement in which an interesting debate has been opened on the very definition of "no to globalisation". This is not the time to tackle the issues of public safety and law and order, which are now assuming a European dimension, as has been pointed out, and which require effective responses which also respect rights such as the right to freedom of association and demonstration which is enshrined in the European Union's Charter of Fundamental Rights.

I am glad to see that Parliament's Committee on Citizens' Freedoms and Rights, Justice and Home Affairs has decided to prepare a recommendation to the Home Affairs Council before it next meets in November. However, we cannot fail to

express here our deep pain at the loss of a young human life, that of Carlo Giuliani, and our unequivocal condemnation of the violence perpetrated by minority groups in Genoa and elsewhere, and our concern at excessive crowd control measures employed to protect the citizens by sections of the police force who had assumed responsibility for the citizens' safety. An inquiry into all this is being carried out by the Italian parliament as well as by the Courts, and we ourselves will be able to make use of the results very soon.

With regard to the agenda, it has to be said that, as an informal event, the G8 summit is in danger of raising expectations which are hardly ever matched by practical undertakings. However, partly due to the attention that the movement has succeeded in drawing to these summits, it would be almost impossible to avoid addressing the role of the poorest countries and undertaking more convincing action with regard to the issues of debt, poverty, trade, the fight against disease and the environment.

To sum up, although it is the responsibility of the movement to reflect on its future, starting with the methods it should use to fight globalisation, and to reflect on the danger of it encouraging unfocused, provocative protectionist tendencies, the task of orienting the global processes, which have hitherto favoured economic concentrations, speculative investment and wide gaps and intolerable injustices, falls to the institution. The next appointment will be the WTO round of negotiations, when the responsibilities of the European Union and the Commission will be far greater than at the G8 summit.

The European Commission's "Everything but Arms" initiative was consolidated by the final statement from Genoa. It is our responsibility to uphold it consistently in our relationship with our citizens and the poor countries which are excluded from the flow of world trade.

3-236
Di Pietro (ELDR). – *(IT)* Madam President, I am speaking on behalf of *Italia dei Valori*, an Italian political movement belonging to the Group of the European Liberal, Democrat and Reform Party which was present at Genoa and witnessed the events which took place there. In short, we feel that a summit such as the G8, in the form it has taken hitherto, is substantially unproductive. Never more so than at Genoa has it been clear that similar displays of muscle and power on the part of the world's greatest nations are just cinema which certainly does nothing to alleviate hunger in the world or to enhance equality between peoples if it is not matched by practical action to cancel the debt, redistribute wealth, safeguard material rights and eliminate all exploitation of developing countries.

Secondly, amongst the great many people who were exercising their genuine, lawful right to demonstrate for their convictions, there were also many troublemakers who infiltrated the demonstration in order to perpetrate unjust and unjustified acts of violence and thus sabotage the work of both governments and demonstrators. It is necessary – and this is the third point – for Parliament too to issue, first and foremost, a clear, unambiguous statement condemning and reproaching these people for their actions: they are the criminals who sparked off the violence.

Fourthly, with regard to these criminals, I regret to say that the law and order agencies of the Italian government partly failed in their task. Their endeavours were both excessive and inadequate: inadequate in that their information activities, intelligence and preventive protection measures did not suffice, and excessive in terms of the crowd control measures employed by certain sections of the police force; this was true only of certain sections of the police force but, regrettably, methods of crowd control were used which could and should have been avoided.

Lastly, of course this sort of behaviour is to be condemned, but we must not focus on individual members of the police force but on those who gave the orders or who should have controlled or coordinated the activities from both the technical and police points of view. We regret that this has not been the case. Let us await the conclusions of the Courts and the Italian Parliament calmly and let us hope that, in future, there will be no more acts of violence.

3-237
Frassoni (Verts/ALE). – *(IT)* Madam President, the Minister began her speech by talking about her generation. I belong to the generation that, in Italy, is called the 'ebb' [apolitical] generation – I am too young for either '68 or '77 – and I am used to thinking of the police and the *carabinieri* as those who ensure personal safety and who have made it possible to defeat terrorism in Italy. The most surprising and shocking thing for me in the Genoa events was therefore to actually see how, within the forces of law and order, something tiny, a mere change of government, a defamatory campaign by the anti-G8 movement, inadequate organisation and a bunch of violent hooligans, was enough to bring out in some of them – I stress some of them – a desire to become the instruments of blind and profoundly stupid intimidation.

This, Mr Tajani, Commissioner Vitorino, is a European, not a national issue. The divide that, from Nice to Gothenburg to Genoa and, perhaps tomorrow to Laeken – even if the Minister's fine words perhaps give us grounds for optimism – is being erected, for right or for wrong, whether we like it or not, between people who, in good faith, want to take action for a better world and the institutions – the police, Parliament, government – is something that should concern us all, on both left and right.

I am convinced that if police cooperation had been applied effectively and with respect for individual rights, if free movement were a true right, with the same level of priority as the free movement of capital, if the Charter of Fundamental Rights were in the DNA of all of us, the worst events of Genoa would, perhaps, not have taken place. That is why I believe that, to prevent another Nice, another Gothenburg or another Genoa, we need two things, and the first of them is transparency. In Italy, the Courts are already hard at work, as is the parliamentary committee of inquiry. Here, we must make a precise assessment of the lines along which the cooperation between European police forces was conducted and ascertain whether or not the Charter of Fundamental Rights was violated in the treatment of prisoners.

The second and last thing, Madam President, is to understand whether suspension of the Schengen rules can justify the indiscriminate, collective ban on free movement.

These are the things we must do in this House, and I hope we shall all work together to achieve them.

3-238
Vinci (GUE/NGL). – *(IT)* Madam President, the G8 meeting in Genoa gave nothing of substance to the poor people of the developing world: that is the truth. Worst of all, it laughed at the request by Kofi Annan for the allocation of a sum that would have been at all adequate and not just alms for the fight against AIDS.

The pretensions of Western leaders to lead the world and their agencies for managing the world economy along free-enterprise lines have, since Seattle, been the object of criticism and active protest from a movement of thousands of associations and millions of people and even some States – I am thinking of South Africa – who are asking for an alternative, democratic model of globalisation oriented towards satisfying the often tragic needs of communities, especially in the developing world.

In Genoa, then, the Genoa Social Forum – that is, a thousand or so organisations, all of them peaceful and non-violent, half of them Italian – called on 300 000 people to come together and express their dissent and their alternative goals.

You have all seen the pictures and film footage of what happened in Genoa in the media. That is proof, Mr Ferri! I have read the newspapers and watched television. A few hundred hooligans, then, between 600 and 800 according to the Italian police themselves, were left to run riot in Genoa, even though it was known where they were staying, to destroy businesses, banks and public property, while the full strength of the police was most brutally unleashed against the peaceful demonstrators. They broke into the residences where they were sleeping and beat them; hundreds of young men and women were arrested, and in the police barracks they were beaten up, insulted, tortured, forced to stand for hours with their arms against a wall and their legs apart, forced to sing fascist anthems and praise Mussolini; and the girls were even threatened with rape.

I was in Genoa over those days and I was a direct witness of the police jeeps driven at full speed and the police charges against peaceful marches, as well as the hundreds of tear-gas grenades thrown at thousands of defenceless people, amongst whom were children and disabled persons. I then went to the prisons where hundreds of young people had been transferred – Italians, Spanish, Germans, Austrians, Swedes, Swiss, aged between 18 and 20, and I collected their statements: all of them, I repeat all of them, had been beaten, insulted or tortured, many had stitches in their heads, and all that had happened in the barracks after their arrest.

Right-wing authoritarian processes have a history in Europe! Together with the underlying factors, this history includes accidental events, on the one hand, and the complicity or inertia of the moderate, liberal and Catholic right on the other.

The attitude emerging here of underestimation by the Council, and also by part of the political groupings represented here in Parliament, of the general trend dramatically revealed in Genoa which is taking hold of Italy, is therefore – if I may say so – irresponsible, not only towards democracy but also towards these groupings themselves. For much less, for Haider's idle talk, Austria was subjected to surveillance and sanctions by the other 14 Member States of the Union.

3-239
Segni (UEN). – *(IT)* Mr Vinci, there were also charges against the police and not just the police excesses that I have condemned, let us make it clear. But that is not the problem I want to deal with today.

There is one point, however, which unites us all, which is: what can Europe do? Minister, you have said that Europe can be a model in facing the problems of tomorrow's globalisation. That is true, but not this Europe, let us be frank, Minister. Yes, the Europe of human rights, for which we were the cradle, the Europe of respect for minorities and diversity, the Europe of the 'No' to the death penalty, which responds to the concerns of so many, perhaps the majority of human beings. But it would really respond to their concerns if Europe had a voice and an instrument to express this idea forcefully in the world. A divided Europe can have no part in this. The G8 summit did not give the idea of a Europe able to back up its decisions. The G8 summit has given the world the idea of the great superpower and a divided Europe that is weak and ineffective because it is fragmented. This is the real problem facing us.

If we want Europe to respond to the concerns of globalisation, let us move ahead on the road towards building a political Union and giving Europe a single voice. If, at a G8 summit, there were not four European states speaking but just one speaking on behalf of the whole of Europe, there would no longer be a great America and a number of little States; there would be two voices with the same weight.

Minister, your government could make a great contribution in this direction at Laeken by presenting and taking forward a draft Constitution that is not divorced from the reality of the problems, as the debate still is today, but which, in a few years' time, when the euro has become the common currency and globalisation is no longer a contentious issue, can be an instrument for Europe to speak in the world with a single voice and as a single political unit.

3-240
Gollnisch (TDI). – *(FR)* Madam President, ladies and gentlemen, the events of Genoa show us several things. The first, I would say, as regards the European or world leaders, the Euro-globalists who were barricaded in that town, is quite simply that they may govern badly, but they protect themselves well.

The second does not, for all that, tempt us to support the brutal and deliberately violent counter-demonstrations that were organised and that did not create too much indignation among their ranks so long as they were used against the national right-wing parties. When the targets are Flemish, Italian, French, German or other national militants, that is seen as entirely acceptable and there was no shortage of leaders within the French socialist party to encourage and organise the so-called democratic harassment. Until the day when, like the man hoist with his own petard, the socialist leaders find themselves at the receiving end of the stone throwing. Indeed the bloody events of Genoa show that protests against globalisation are not the expression of a moral protest born of the desire for a fairer redistribution of the wealth of the planet. In fact today, like yesterday, the issue is political and ideological. Lucas Casarini, leader of the White Overalls movement, said as much in an interview with *La Repubblica*. Negri, imprisoned for armed insurrection against the Italian state and now partially free, expressed the same view in a book. These people are no longer socialist internationalists, proletarian internationalists, but they are still internationalists. The people who demonstrated in Seattle do not represent the voice of the poor throughout the world; they are a political instrument directed against the Western world. In Genoa, they launched their attack from the very heart of the empire they supposedly wanted to destroy; but in reality another equally subversive form of globalisation is dialectically opposed to liberal globalisation. We do not support either one of them; the real reply lies in the defence of national identities.

3-241
Gawronski (PPE-DE). – *(IT)* Madam President, after the spirit of Rambouillet at the first G5 summit, we have reached the sad events in Genoa and many of us are beginning to think that these summits have become too large, unwieldy and bureaucratic and have lost the old, productive atmosphere of confidential meetings. The Commission spoke about this a while ago and this is certainly a subject to examine in greater depth.

On occasions such as these, however, many of us have also realised that there are forces in Parliament that are able to exploit even tragedies for their own ends, for the death in Genoa was a tragedy. This was simply to achieve their political objectives: that is, to discredit the centre-right government in Italy. To achieve this outcome, they use the European Parliament, organising in Parliament, as they did yesterday, for example, meetings with exponents of antiglobalisation movements that spread ridiculous, false accusations and offend a European Union Member State by calling it an incomplete democracy that should be placed under supervision. I regret to say that an active part is played in these demonstrations by Italian Members of this House – I need only name Mr Vinci – who perhaps do not realise that they are discrediting not so much the centre-right government but the whole of their country.

My question is quite obvious and simple: if a left-wing government had been in power in Italy, would there have been the same mobilisation of forces in this Parliament, with pilgrimages by our fellow Members who had never dreamt of going to previous summits but who – as if by coincidence – were present in Genoa?

I hope that the protests in Genoa and elsewhere never succeed in preventing world leaders from continuing to talk to each other, as could well happen.

3-242
Van den Berg (PSE). – *(NL)* Madam President, the Socialists are opposed to globalisation if it stands for survival of the fittest, but welcomes globalisation with a human dimension.

Worldwide, we are becoming increasingly connected and dependent on one another. It therefore makes absolutely no sense whatsoever to hide behind national, European or other borders. At the same time, however, we also see the other side of globalisation. World trade is flourishing, but the richest countries earn 37 times more than the poorest countries, and despite the enormous increase in world trade over the past few years, the chasm between rich and poor has only widened. One in five people who live in this global village still have no access to education or health care. It is precisely in this global village that this complete and utter imbalance concerns us all.

Europe – which, to me, encompasses the Commission, the Council, Parliament and the Member States – must stand united. This is something we can do and thereby be able to play a crucial role. We can fulfil a pioneering role as the largest trading power. We must defend our social model within and outside our borders, and, therefore, assume our responsibility, as well as support new social and innovative solutions. We must, for example, lend support to those poor countries which are endeavouring to produce cheap AIDS medication. We must make this possible and also defend their rights.

If we act on our own behalf, let us then show that we mean business. Certainly at a time when the United States now and then threatens to stray from multilateralism and withdraw behind a wall of self-interest, it is extremely important for Europe to fulfil this active global role. This then, of course, raises the question of what role that is and what the activities are we should be carrying out.

I would like to list a few promising initiatives: "Everything but Arms", our action programme against AIDS and the initiatives by Messrs Jospin and Schröder concerning the Tobin tax. Would the Commission and Council be prepared at least to have such initiatives seriously looked at and to back them? I would also like to mention our weaker points: the refusal to reform agriculture in the short term. I also have in mind the fact that, while the President of the Commission, Mr Prodi, has earmarked EUR 120 million for our Global Health Fund, this is money taken from our own pocket. That is similar to helping ourselves to one of our own cigars. Moreover, when can we expect Parliament's proposals, for this measure will surely require formal approval. We are here in Parliament to ask for extra funding, and not for one of our own cigars. I am also thinking of the Member States which do not spend 0.7% of their GNP on development and cooperation.

If Europe wants to be a friend to those who wish globalisation to have a human dimension, if it wants to listen seriously and be an example to all those who take to the streets out of concern, it will have to make it happen by taking action of its own and adopting appropriate policy. This is, in my opinion, the cornerstone of a partnership with developing countries. This is also the basis of success for a fresh WTO round. However, this is a different Europe from the Europe which sides with the few who are out to seek personal gain. If we really want the law to apply to everyone, then we have here in Europe a brilliant opportunity to make it happen, and the Social Democrats are happy to take this road.

3-243
Voggenhuber (Verts/ALE). – *(DE)* Madam President, ladies and gentlemen, the denial of democracy and a social dimension in European integration is creating conflicts. What is our response? Countless young people have waited all summer for this first session of the European Parliament. In Genoa, they encountered a state and a Europe which have deeply traumatised them. Their trauma is heightened every day that we fail to give them a satisfactory response.

What is this Parliament's response? On the first day, Mr Poettering congratulated Mr Berlusconi. The Christian Democrats and right-wingers in this House have rejected the resolution and made it clear that they will also reject a committee of enquiry. Let me make it clear what they are identifying themselves with: police violence, systematic brutality and even torture in the prisons or at the time of arrest, hundreds of arbitrary arrests, sexual harassment, and Nazi slogans in the police stations.

I was in Genoa for a week. I visited the prisons. I spoke to the people in charge, and I took notes for ten hours with people who had been systematically abused and mistreated, in some cases for up to thirty hours. Yet you want to sweep everything under the table! The Christian Democrats are allowing the Italian right to dictate the course of today's debate. One of them even had the gall to say that there is no evidence.

Ladies and gentlemen, please vote for an enquiry. We will provide bags full of evidence of hundreds of cases of torture, abuse, brutality and excesses by the police. This is not merely a matter for the Italian police, for these young people all over Europe have waited for this first session, hopeful that the guardians of fundamental rights sit here in this House and that this House will not remain silent or make common cause with Italy's rightist government.

Let me say a few bitter words as an Austrian. What would have happened if these appalling events at a summit had taken place in Austria a year ago? One dead, 500 injured, 470 arrested and imprisoned, with 90% of them having to be released later due to lack of evidence because the police had picked them up at random as much as 50 km outside Genoa and trumped up evidence against them. This has a European dimension, and this House must address the issue….

(The President cut the speaker off)

3-244
Cossutta (GUE/NGL). – *(IT)* Madam President, the political results of the G8 summit, let us be frank about it, were virtually nil or even negative, and yet everything was clouded, as we all know, by the violent clashes.

We register here the strongest possible protest against the Italian government and police forces, who were tolerant and permissive with the violent, but savage against the innocent. Europe has been able to judge, and it has judged with dismay

and indignation the atrocious images of acts carried out in the developing world, persecutions as seen in Chile, as have been perpetrated by a Member State of the Union.

We also here express our utter condemnation of the mindless violence by some groups of demonstrators and our severe criticism of those organisers who reject violence in words but who were unable or unwilling, in fact, to break off all relations with those in the movement who preached or advocated violence.

Any tolerance in this respect plays into the hands of the enemies of the people's cause. Any naivety by those who believe that it is enough to be right for right to prevail and who do not take the trouble to oppose, isolate and exclude the violent of all kinds is not a virtue but bears a poisonous fruit. It is a real boomerang that will hit back against the need to extend and expand the great movement against neo-free trade globalisation.

3-245
Bodrato (PPE-DE). – *(IT)* Madam President, the European Parliament should take a very balanced view when its debate covers the responsibilities of national parliaments, so as not to give the impression of interfering in the various countries' affairs in one way or another. On the G8 I share the opinion of the Council and Commission on the good and bad sides of it, but I also wonder why, every time an international summit is organised, from Seattle to Gothenburg to Genoa, conflicts break out that threaten public order, as if people were trying to fight an invisible tyrant. We should reflect on this paradox and initiate a dialogue with the young people, giving politics back its role.

Violence is rejected without equivocation. Violence is incompatible with democracy, and extremism is often the cradle of violence. The violence in Genoa is being investigated by the Italian magistracy, in whom we should have every faith.

There is, however, a political issue: there are various ways of defending institutions. We should not confuse the Black Block that was looking for violence with those who were exercising their right to demonstrate in the streets. That confusion leads to a spiral that produces more violence and sows the seeds of terrorism. In these situations it is very difficult to enforce the law without using force, but that is the responsibility of governments. To isolate the extremist movements we must start with the moral authority of national and European institutions and the ability to show every respect for the rights of the citizenry.

3-246
Terrón i Cusí (PSE). – *(ES)* Madam President, the Committee on Citizens' Freedoms and Rights, Justice and Home Affairs is going to make a recommendation on the proposal presented to us by the Justice and Home Affairs Council with a view to ensuring public order during meetings.

We are going to place value on the need to defend the freedom and fundamental rights of citizens. Since the Treaty of Nice, the European Parliament has had the duty to exercise the right to monitor respect for these rights and that is conferred on us by the Treaty.

We must also exercise democratic control of the security measures proposed by the Council, of their proportionality and effectiveness. I am not going to throw accusations at the Italian police, but I believe that to suspend the right to movement of certain citizens while allowing the entry of the people who did what they did in Genoa could be described at the very least as ineffective and inefficient.

We are going to do all of this. But I believe that today, Madam President, what we must demand of the European institutions above all is a political reaction to a situation which is not a natural catastrophe, for which a civil protection plan can be presented, as Minister Duquesne appeared to do a few days ago in our committee, but a political phenomenon which we must react to. And that reaction must also, and above all, come from this European Parliament.

We in this Parliament have the obligation to create fora for political mediation given a demand which is becoming stronger and stronger, and we must do so above all because the European Union has this democratically elected institution. It is the only international organisation which has one and, given the widespread feeling that there is a lack of opportunity to exercise political demand in an international forum, we must be able to take a step forward and to offer this forum as soon as possible, in the hope that the other institutions will do the same.

3-247
Lucas (Verts/ALE). – Madam President, in spite of what was said earlier on the other side of this House, it is clear that the police exercised systematic physical and psychological torture in Genoa. Like others, I regret that we do not have a resolution in front of us in which we could have expressed our complete condemnation of police brutality and of the violence of the Black Block at Genoa, our conviction that those responsible must be brought to justice, our commitment to uphold the right to protest peacefully, and our determination to clarify the growing evidence that much of the violence and damage to property which occurred in Genoa was the work of *agents provocateurs*.

But we have another task before us and that is to address the reasons fully why 300 000 people chose – in their own time, and at their own expense – to go to Genoa, just as hundreds of thousands have gone to Seattle, to Gothenburg and elsewhere to demonstrate about the continuing debt burden of the poor, about the increasing and grotesque inequalities between rich and poor and about the growing corporate control of many aspects of our lives. That means that we need to confront the reality that the neo-liberal economic policies of the European Union are currently part of the problem, not the solution.

For example, it is the EU which is ruthlessly driving forward the agenda for a new, ambitious, comprehensive round of trade talks at Doha in November in the face of opposition from the majority of developing countries and of social movements around the world. Commissioner Vitorino said that there was agreement in Mexico last weekend. Well, there might have been agreement between the Quad countries, but it certainly was not endorsed by the African countries, the LDCs, India, Malaysia, Indonesia, the list goes on.

Moreover, in most EU Member States, the level of official development assistance remains far below the UN target and, contrary to the Gothenburg declaration, the Council is proposing for its 2002 budget a further 3.2% cut in commitments on foreign aid compared to last year's budget.

As Members of the European Parliament, we have a responsibility to ensure that the citizens of the European Union continue to enjoy the right to protest peacefully. We also have a responsibility to listen to what they are demonstrating about and to respond because, if we do not, we cannot be surprised if the reputation of the EU institutions as remote and out of touch continues to grow.

3-248
Marset Campos (GUE/NGL). – *(ES)* Madam President, I went to Genoa at the invitation of the Genoa Social Forum and I was surprised because I had never seen such police conduct, and I say that having fought for democracy and freedom in Spain since 1966.

Not even under the Franco dictatorship did the police behave as I witnessed in Genoa. It was more similar to the situation which I experienced on 11 September 1973 in Santiago, Chile, when Pinochet's coup d'état took place.

This raises a serious problem for the European Union: to guarantee that, just as the G8 can meet, all people, young people who want a different world, can also meet in a democratic fashion. That is the responsibility of the European Union, of the European Parliament.

I therefore believe that we will have to ensure that progress is made in terms of democracy and freedom for all.

3-249
IN THE CHAIR: MR IMBENI
Vice-president

3-250
Patrie (PSE). – *(FR)* Mr President, although we do not yet know the full story of the police violence inflicted on the anti-globalisation protestors at the recent G8 summit in Genoa, there is enough evidence to suggest that the death of the young protestor Carlo Giuliani was not just caused by a police blunder. Similarly, the methods used by the Italian authorities do not seem to be just the result of the police being unable to cope with the rioting, which we of course condemn. After all, the private Italian network Sette broadcast scenes of people dressed like Black Blocks calmly chatting with the anti-riot police and then going away.

Even if it does not suit those who have a narrow conception of the sovereignty of states, we must make it clear that the events of Genoa do not come only under the heading of Italy's domestic affairs but directly concern the European institutions, and chiefly among them the European Parliament because it is directly elected. First of all, Europe is concerned because the Union must not simply be a stepping stone of liberal globalisation, but also an area of freedom in which the citizens have the rights guaranteed under the European Convention on Human Rights and, more recently, the EU Charter of Fundamental Rights. Furthermore, when citizens of all nationalities come together to exercise their collective freedom, their freedom of opinion and their right to demonstrate, it is the duty of the European Community to guarantee that they can effectively exercise these rights.

Secondly, Europe must not remain inert in face of such disturbing manipulative operations. Europe cannot allow a government in its midst to use methods that are so incompatible with the values of democracy and freedom in which it believes. Lastly, as responsible democrats we cannot allow the violent actions of a minority of activists to be lumped together with the pacifist beliefs of thousands of people protesting against liberal globalisation, for the Union must, in its turn, become the motive force of democratic globalisation based on solidarity.

I deplore the rejection of the proposal to table a European Parliament resolution on the subject. I would have liked to see a committee of inquiry set up. Like some of my socialist comrades and other colleagues, I will play an active part in the monitoring group referred to by Francis Wurtz and we will carefully examine the conclusions of the Italian committee of inquiry.

3-251
Alyssandrakis (GUE/NGL). – *(EL)* Mr President, the efforts of big business to rule the world, now that the Socialist camp no longer ranks as a formidable adversary, the anti-grass roots policy punishing workers in developed countries and plundering the riches of the developing world are obviously – please do not laugh, Sir – going to provoke a reaction on the streets.

Despite attempts to lead and mislead, such as we have heard here from the Council and the Commission about involvement in dialogue with civil society, we are certain that this movement is set to become even more radical and to turn even more resolutely against the capitalist system. And at the same time, unbridled police violence is being used, such as that seen in Gothenburg and, even more so, in Genoa. Without wishing to play down the responsibility of the Italian government, we would point out that the suppressive measures taken in Genoa originate in the European Union with the Schengen Agreement, police collaboration, the decisions taken by the Council on 13 July and the preparations to crush demonstrations in Belgium. No matter, history teaches us that, however strong the oppressors, however much violence they use, the oppressed eventually come out on top.

3-252
Neyts-Uyttebroeck, *Council*. – *(NL)* Mr President, ladies and gentlemen, several among you have called for a dialogue with civil society in general and for a dialogue with this Parliament and the national parliaments, in particular. It is precisely because the presidency – not only myself, but also the Belgian Prime Minister – takes this dialogue so seriously that the Prime Minister has sent me to represent the presidency here today and naturally the intention is not to limit myself to a brief explanation, but to follow attentively everything you have to say and to remain calm in the process, even if I completely disagree with some of the speakers. But that is part and parcel of it.

I have thus carefully listened to all the speeches from the left, the right and the centre in this debate, and you can be certain that a number of elements will definitely inspire us. Even if it is correct that the Belgian Prime Minister, following Gothenburg, said that the law enforcers and armed forces in my country have extensive experience of all kinds of disturbances. Given the fact that the capital of my country sometimes deals with more than 2 000 of these annually, we do not want to give anyone the impression that we are not taking the situation seriously.

As a personal comment, obviously, I said that, in my opinion, the spectacle of a totally secluded zone for a summit meeting, as was the case in June or a number of weeks ago, is a very brutal spectacle. But at the same time, it was tragic to have to witness the extent of the street violence. It is absolutely awful if situations escalate to such a degree that, as we have personally witnessed, young demonstrators are killed during these disturbances. This is not acceptable, this must be prevented. There are very few, extremely few causes worth dying for. One should obviously have the right to demonstrate, protest and say whatever it may be in whatever way, but it is not acceptable that some are killed in the process, or are physically or mentally injured.

You can therefore count on us to do whatever is necessary during all council meetings of the next couple of days and weeks. My baptism – and I hope it will not be a baptism of fire – will take place tomorrow evening. The informal meeting of Foreign Trade Ministers in Bruges starts tomorrow evening and will be followed by a whole series of meetings. We will make every effort to ensure that the right balance is struck between openness and accessibility whilst ensuring that safety is maintained and that escalations of recent weeks are avoided. I wish to make that very clear to you.

For the rest, Mr President, I am also convinced that the debate on globalisation has only just got off the ground and that we will be discussing it for the foreseeable future. Needless to say, we will not always agree on everything, as I have already said, but that does not matter. For the debate to be fruitful, it is of the utmost importance not only to hear what the other person has to say, but also to try to understand what the other person is saying. For example, I have said that law enforcement and the way in which the law is enforced falls within the exclusive remit of the Member State. That is correct, but I also said at the beginning of my speech that in the Justice and Home Affairs Council, within the remit of the Union and by means of existing instruments, we will do whatever is necessary to prevent as much as possible the escalation of violence.

We will return to this topic during Question Time, when I will have the opportunity to give you more detail in my answers. We welcome dialogue, certainly constructive dialogue, but not only do we need to listen to each other, we must also try to understand one another, particularly if we do not share the same views.

3-253
Vitorino, *Commission*. – *(FR)* Ladies and gentlemen, first of all I believe that this debate is leaning towards recognition of the need to structure the political debate on how to regulate globalisation. In this regard, I believe that the Commission has

put forward several suggestions here on 'how to structure this debate'. We acknowledge, and I want to say this quite clearly, that the European Parliament, the elected representative of European citizens have a key role to play in structuring this debate. For we need to embark on it with a degree of humility; we are all looking for answers, but nobody can say with any conviction that they have all the answers to the complex issues facing us all.

That is why I want to point out, in reply to Mr Barón Crespo, that President Prodi genuinely wanted to attend this debate today. He had intended to take part in the debate had it remained on the agenda as originally scheduled, i.e. this morning. However, Parliament changed its agenda and Mr Prodi had to return to Brussels for the summit with the People's Republic of China, so that he was unable to be present here today. I therefore have the honour and pleasure of taking part in this debate with you.

My second point relates to the issue in question. I believe the Commission has worked well with Parliament on the substance of the Genoa decisions. I can tell you that we too believe in the global approach. In our view, some progress has been made and some positive decisions were taken at the G8 summit. Of course they do not go far enough. There is no doubt that the financing of the global health fund to combat disease is inadequate, as we agree, but at least we can say we played our part in funding it.

Along the same lines, let me tell you quite frankly that I do not understand how, in relation to the negotiations on a new World Trade Organisation, we can be reproached for favouring a purely pro-free trade vision of world trade. We work together very closely with Parliament and what we are trying to do is to establish areas of negotiation that also take direct account of issues such as the environmental balance, the social agenda and the interests of the less-developed countries. I therefore believe that the Mexico conclusions are entirely consistent with the policy advocated by the Commission for regulating globalisation.

Lastly, in reply to Mrs Frassoni, let me emphasise that you must take my words in their strictest sense. What I said, and in fact that is what Article 33 of the Treaty also provides for, is that the maintenance of law and order is primarily the responsibility of the Member States. I acknowledge, however, that the question of law and order also has a European dimension.

In 1997, the Council approved a joint action on the maintenance of law and order. It may be that few people paid attention to the contents of that decision at the time, but it exists and the conclusions of the Justice and Home Affairs Council of 13 July are based on this joint action dating from 1997. The joint action provides for cooperation between law enforcement and judicial authorities in order to safeguard public order at European-level meetings and places it within the framework of the Europol Convention. That means we have a legislative text that regulates European cooperation on the maintenance of law and order.

We also have the Schengen Agreements. In this regard, I must tell you that in the case of the Genoa meeting what we saw was joint action by what one might call the 'two Italian governments'. The idea was first put forward by the previous government and then put into practice by the new government. So it is quite clear that the Commission's neutrality is beyond all suspicion in the debate within Italy. The truth is that the Italian government respected its obligations under the Schengen Agreements by reintroducing border checks at the time of the G8 summit in Genoa. Obviously, when it comes to monitoring the implementation of the Schengen Agreements, both the Commission and the European Parliament have certain responsibilities. They are limited responsibilities but that, Mrs Frassoni, is another matter entirely.

(*Applause*)

3-254
President. – Thank you, Commissioner.

The debate is closed.

3-255

Data protection in electronic communications

3-256
President. – The next item is the joint debate on the following reports:

- (A5-0270/2001) by Mr Cappato, on behalf of the Committee on Citizens' Freedoms and Rights, Justice and Home Affairs, on the proposal for a European Parliament and Council directive concerning the processing of personal data and the protection of privacy in the electronic communications sector [COM(2000) 385 – C5-0439/2000 – 2000/0189(COD)];

- (A5-0284/2001) by Mrs Cederschiöld, on behalf of the Committee on Citizens' Freedoms and Rights, Justice and Home Affairs, on the strategy aiming at creating a safer information society by improving the security of information infrastructures and through the fight against cybercrime.

3-257
Cappato (TDI), *rapporteur*. – *(IT)* Mr President, it is a pity that, after a whole day during which Parliament has debated matters in which it has no legislative competence, only in the afternoon and then the evening will we actually be talking about areas in which we do have legislative power. It is rather a bad Parliamentary habit, and we should try to resist these headline-grabbing temptations.

Having said that, the European Commission's proposal for a directive is an important document and will help to protect rights and also freedoms on line, not only as regards the electronic communications of citizens within Europe, and thus we congratulate the Commission on the work that has been done. I must start, however, by saying that the Commission itself should, I believe, take greater account of the fact that the difficulties and delays in implementing directives in the Member States mean that we are in danger of having European laws that are increasingly specific and detailed, which attempt to keep up with technological progress, but then we find ourselves updating a 1997 directive, now four years old, when this directive has still not been implemented by all the Member States: it is a specific directive relating to a general directive from 1995 which itself has not yet been adopted by the Member States. It is therefore this legislative method that should probably be debated!

Having said that, however, I genuinely believe that important measures for protecting European citizens' privacy are guaranteed and specified, measures that the Committee on Citizens' Freedoms and Rights and its rapporteur fully upheld in committee and which were adopted.

I would now like to focus on two points that are, perhaps, more politically controversial: the power of public and state authorities to have access to European Union citizens' personal data, and unsolicited commercial e-mail.

On the first point, the Committee on Citizens' Freedoms and Rights accepted the European Commission's desire not to grant the kind of carte blanche or blank cheque that some countries in the Union would have liked, to be able to intercept and access European Union citizens' personal data, for instance by accessing data collected by telephone companies.

The Commission is right to insist on and uphold this point. We hope that it will also follow us in a further request expressed by the Committee on Citizens' Freedoms and Rights, of placing a precise obligation on all derogations from the directive or European regulations that are not completely exceptional, based on a specific law accessible to the public, and limited in time; this will have the consequence, which we have written into the report, of prohibiting generalised surveillance. I think it is important that the Commission should uphold this, because I believe the greatest threat to citizens' privacy is the omnipotence of the state in accessing personal data.

On the other point – unsolicited commercial e-mails – I have preferred, and the Committee on Citizens' Freedoms and Rights has followed me, not to accept the Commission proposal of imposing a harmonised Europe-wide opt-in system, but to leave each Member State the choice of opting in or opting out. I believe, in fact, that both systems are ineffective at stopping so-called spamming: true spammers who block up electronic mail boxes are people who do so fraudulently, hiding their addresses, and so have no interest in respecting either opting-in or opting-out. In the absolute ban of opt-in, I see a threat to the freedom of expression of those who conduct e-commerce correctly: for freedom of expression it is not so easy to separate commercial messages from non-commercial messages, and there may be journalistic or political texts that are sponsored and as such could be treated as commercial messages.

I also believe that today there are instruments for self-regulation, filters and technologies that can solve the problem much more flexibly and effectively than the courts can. Furthermore, the costs that the consumer has to bear are set to fall with the liberalisation of telecommunications that the Commission is pressing for in the other directives in the package. Therefore, with flat rates and broad band connections, even the cost problem of connecting for a few seconds is becoming less important. That is why, faced with the possible risks of the opt-in system, we are opposed to a single, harmonised European system.

3-258
Cederschiöld (PPE-DE), *rapporteur*. – *(SV)* Mr President, we are all of us affected on a daily basis by the risks presented by the new computer-related crimes. It happens every time we shop using credit cards, use a telephone, open our e-mail or travel by plane. We are concerned here with traditional crimes which affect us partly due to information technology: child pornography, counterfeiting, xenophobia and the trades in drugs, human beings, human organs, weapons etc. However, we are also concerned here with new types of crime directed against the way in which society operates: the spreading of viruses, unauthorised access, hacking, denial of service etc.

Traditional methods of combating these crimes are inadequate, even if on-line crime is just as criminal as off-line crime. The underworld is threatening society with new methods from a digital platform. Criminals exploit the differences in legislation between one Member State and another, and so the EU must maintain a united front.

The Commission has tabled proposals to which the Committee is giving impetus and which it is developing. We seek common definitions for solving conflicts of competence, as well as the closer harmonisation of criminal law and the law of

procedure and the mutual recognition of preliminary investigation procedures. We want to make Europol and Eurojust more effective but, at the same time, set clear limits.

Now, controversial demands are also being made for the interception, registration and storage of our communications. Where these are concerned, the Committee demands respect for fundamental rights, such as the secrecy of correspondence and telephone calls, and strict requirements for the whole area. The Committee also demands a ban on such invasions of privacy, except in those cases in which the measure fulfils all the following requirements: it is necessary, has proper justification, is the only possible solution, is proportionate to the crime, is limited in time and has been decided upon in the courts. *No one* wants a big brother society.

We in the European Union must comply with the demand we ourselves have made for cheap Internet access for all citizens, which means that we cannot transfer the costs of this to companies. We want to encourage voluntary cooperation and have therefore proposed the setting up of an open forum to which a variety of players can contribute their experiences and pool these for the benefit of all, a forum in which understanding can increase, awareness of these problems be developed and best practice be promoted. In this forum, industry and legal authorities, together with consumers, will be able to create a code of conduct and develop early warning and crisis management systems, and it will be possible to develop preventive technology and protective measures and to make these more widely available.

Coordination within the EU is also required so that our measures are not rendered ineffective at a global level. Member States and candidate countries should be invited to develop common tactics and a cohesive EU policy within international bodies such as the UN, the OECD, the Council of Europe and the G8.

The committee was unanimous and gave its support to the message of the report, which is about improving respect for personal privacy now that evermore effective measures to combat computer-related crime have to be developed.

Finally, a big and heartfelt thank you to everyone who has assisted in the preparation of this report. There are a lot of you, since there are many conflicting interests that have been reconciled.

A brief word about the two amendments that have been introduced to the report. They can be seen as technical in nature. The first is aimed at adding the word ‘terrorism’, since the committee unanimously adopted this as an oral amendment which has since in some way been lost from the text submitted to plenary. The word ‘terrorism’ must, of course, be present in a report on cyber crime. We also want to change the term ‘labelling’. This change is proposed because ‘labelling’ obviously does not cover what we intend as effectively as ‘certification’, which is the term we wish to introduce. The term we use in Swedish, ‘märkning’, is tricky to translate. This is mainly a translation issue, then.

I now turn to the Cappato report. Because I do not have very much time, I shall concentrate entirely on the opt-in/opt-out debate. It is too early at this stage to abolish subsidiarity and force everyone to give up the status quo with its freedom of choice and instead to introduce an opt-in clause. There would then be a risk of being criticised for over-regulation. We should be in danger of having a new ‘cucumber debate’, with the EU being criticised for its passion for detailed regulation. Through being contrary to two important directives in the area of information technology, such a move could damage future legislation in this area and render our existing legislation inconsistent. The debate on constitutional issues could also be harmed because such action could lead to a loss of confidence in the EU. This would apply especially to the European Parliament if we were to adopt inconsistent positions.

We are in the middle of a process of technical development, involving filtering and broad band, which may mean that this opt-in/opt-out debate will be out of date and a thing of the past in three years’ time. I do not think that we should become bogged down in an outmoded position and, at the same time, abolish the possibility of choice without obtaining any added value, for a European opt-in solution would not put an end to *spamming,* a lot of which originates outside the EU. The United States itself has not harmonised its legislation, for example.

An opt-in system involves problems in drawing the line between commercial information, on the one hand, and information about society and voluntary organisations, on the other. It could also prevent the development of newspapers on the Net and create difficulties for small companies which have to store their information in case they are prosecuted. How, moreover, would the punishment be meted out?

Finally, we politicians must not legislate as soon as we see a phenomenon we do not like. As politicians, we do not always know what is best for each individual person and company in each particular case. Our job is to speed up the development and distribution of the technical products which will make *spamming* a thing of the past and to press for supervision, something which Mrs Palacio Vallelersundi’s amendment in fact does.

Finally, we must, as politicians, defend freedom of expression and not restrict it unnecessarily and without due care.

Schröder, Ilka (Verts/ALE), *draftsman of the opinion of the Committee on Industry, External Trade, Research and Energy*. – *(DE)* Mr President, I should like to speak about the issue of electronic data protection, which has already been mentioned. To come back to the points made by Mrs Cederschiöld, I have heard in many forums and many other communications media in the Internet and e-mail that there has been a great deal of annoyance among users. This is logical, for if we examine the principles of opt-in and opt-out using the example of letter mail, opt-out simply means that e-mails are paid on delivery, i.e. by the addressee. After all, it is the users who pay the Internet access fees. I would get very annoyed about this too. This is not to say that this is a bad intervention, but I would vote for an opt-in system for e-mails.

Otherwise, I think that the directive's major shortcoming is what is not regulated, namely monitoring by the state, which is explicitly excluded. I think that this poses the greatest threat to fundamental rights in the European Union – and fundamental rights are there to protect citizens from the state. This is excluded here, which means that the directive is inadequate. The rest offers quite a good level of protection. However, if we draw together the opinion on *cybercrime* and Parliament's opinion on terrorism, it is quite striking that a great many things are thrown together and criminalised: for example, "everything which is illegal offline should be illegal online". This is the case anyway, so we do not need any directives on cybercrime. No one has yet given me a plausible explanation of why we actually need this, and which new laws will be adopted and crimes defined which are not already covered elsewhere. In my view, this whole cybercrime issue is primarily intended to legitimise intervention in fundamental rights.

Finally, I should like to remind you of an anniversary which took place two days ago. A hundred years ago, the typewriter was banned in Turkey. Why? Because it was feared that it would enable people to communicate anonymously; they could no longer be identified by their handwriting, and this would open the door to crime. Banning the typewriter was intended to prevent this. Perhaps this would be appropriate once again today?!

3-260
McCarthy (PSE), *draftsman of the opinion of the Committee on Legal Affairs and the Internal Market*. – Mr President, I welcome the Commission's strategy on cybercrime. This is, as Mrs Cederschiöld said, a very controversial and difficult area which raises issues of how to regulate the Internet and yet not stifle its development; and also significant issues regarding crime surveillance and privacy, data protection and retention, yet we need to be aware the cybercriminals do not respect our personal integrity.

We now have a growing phenomenon of so-called data streaming – hacking into computer systems and stealing credit card details in bulk. The total cost loss to the UK last year was GBP300 million, an increase of 55% on 1999. We need more secure systems if we are to boost consumer confidence in using the Internet.

Commissioner, in your strategy I want you to prioritise tackling the very disturbing growth in child pornography on the Internet. We need to clamp down on sexual exploitation of children. Again, there has been a very massive growth in cross-border child pornography. In the UK, members of the so-called "Wonderland Club", an Internet paedophilia ring, were arrested and found to have sites in 12 different European countries.

In my own region, the Greater Manchester Obscene Publications Unit has had success in cracking down on paedophilia with new Internet tracing software. That is why, with the backing of many of the children's organisations across the European Union, we are calling for a number of actions. We want you to look at the possibility of involving credit card companies and Internet service providers in supporting the blacklisting of sites trading in illegal pornographic content. We want to see the expansion of 24-hour hotlines and electronic watchtowers. We want to see the creation of a European rating system for child-friendly Internet providers and the display of child safety messages. We want child pornography on news groups blocked. We want closer involvement by Europol in prosecuting cyber paedophiles and better cooperation between European law enforcement agencies.

The European Union must act to ensure that there are no safe havens in Europe for cyber paedophiles. Our message, therefore, is that we are stepping up our action and closing down these sites. We want you, Commissioner, to take action in this area.

3-261
Zorba (PSE), *draftsman of the opinion of the Committee on Industry, External Trade, Research and Energy. – (EL)* Mr President, may I say that both the committee and the rapporteur have taken a very balanced and level-headed approach to this issue. Unfortunately, virtual reality, while it has a great deal going for it, engenders not virtual but very real crimes which we need to deal with without making bogeymen of ourselves. We must be ready to prevent and punish these crimes as and when they appear. Secure infrastructures and crime prevention need to go hand in glove with respect for freedoms and personal data protection. This is something which we should never forget and which needs to be kept in a state of equilibrium.

Obviously we need coordination at international level and obviously the role of the Member States and of the European Union is to operate in international organisations with an appropriate strategy because we cannot resolve the problem alone. The Internet is international and needs to be addressed internationally.

Obviously we need better definitions of the various types of crimes. We cannot talk in general terms and what appear to be the most important issues today, i.e. pornography, hackers and racism, will not necessarily be the most important issues tomorrow. Commercial crime is also very important and I think that we need to work with industry and the banks here if we are to be sure that the solutions found are indeed the most suitable.

One particular aspect, which colours all the rest, is intellectual property, which is in huge danger and could end up disadvantaging authors and artists. I think that we need working protection rather than excessive measures which will stop the Internet from operating.

3-262
President. – The debate is now suspended and will resume at 9 p.m.

3-263

Presentation by the Council of the draft general budget for 2002

3-264
President. – The next item is the presentation by the Council of the draft general budget for 2002.

3-265
Vande Lanotte, *Council*. – *(NL)* Mr President, with this speech, I should like to resume the dialogue between the two arms of the budgetary authority, namely the European Parliament and the Council. This dialogue was started in the framework of the Interinstitutional Agreement by means of various trilogues and a consultation meeting in July, on the very day that the Council adopted the draft budget for 2002.

I know that during the most recent discussions of your Committee on Budgets, quite a few members expressed their regret about the outcome of this consultation. As this outcome cannot be seen as an actual result, people have started to call the validity of this exercise into question.

I should like to make two observations in this connection. First of all, we must see this consultation between the members of the Council and Parliament as an initiation of the dialogue between the two arms of the budgetary authority. Even if this consultation does not reap any immediate benefits, the discussions at the Council will still be affected by this during the coming months until the end of the budgetary procedure in December.

In addition, it is true that, at the time of the consultation, the Council's preparatory activities for July's sitting had already reached an advanced stage, and that compromise solutions had already been found in order to remove various obstacles which had emerged between the Member States themselves. But it is also true, as I am sure you are aware, that the package which contains the compromise of the draft budget has already been influenced by the positions adopted by the European Parliament and which were known to us on account of the many contacts we have with this institution. Those contacts, which start out in February and March, coincide with the informal trilogue in the capital of the presidency, and will be developed at different levels until the Council in July. I can assure you that, without this permanent dialogue, the draft budget which is now before you could have taken on a completely different format.

Today, I should like to make you aware of the fact that the Belgian Presidency sets great store by sound cooperation with Parliament. I should therefore like to explain to you directly the Council activities which have led to the draft budget for 2002 which is now before you and on the basis of which you will be preparing your first reading in the next two months.

First of all, I should like to outline the guidelines which have helped the Council compile this draft budget. To start with, the draft budget is completely consistent with the Interinstitutional Agreement of 6 May 1999 on budgetary discipline and the improvement guidelines for the budgetary procedure. The Council deems it of particular importance to keep to each of the annual maximum amounts for expenditure, as laid down in the financial perspectives and based on the recent EP and Council decision to adjust the financial perspectives with regard to budget implementation, and on the technical adjustment to GNP and price development, implemented by the Commission. The Council has ensured, insofar as is possible, that sufficiently wide margins will be maintained in respect of the maximum amounts for the different categories, with the exception of categories 2 and 7.

Secondly, the Council has taken into consideration the budgetary guidelines for 2002 which it adopted in March of this year. You have undoubtedly noticed that the Council has adopted decisions of this kind for the first time. I am of the opinion that it is a sound approach. It constitutes a move towards greater transparency and hence an improvement in the budgetary debate. You have for some time now adopted budgetary guidelines yourselves which are used throughout your debates. The same applies to the Commission which establishes its priorities every year.

The Council has therefore ascertained that the different EU measures are appropriately funded from the financial resources available within the maximum amounts set according to the financial perspectives. For this purpose, the Council has, with regard to commitment appropriations, taken account of the evaluation of the options to implement the appropriations. Finally, the Council has devoted special attention to the development of appropriations for payments by curbing their growth compared to 2001, taking particular account of the implementation options and the expected rate of payments in connection with outstanding amounts and national budgetary requirements.

I should like to underline that these efforts to moderate are spread across the compulsory and non-compulsory expenses. I should also like to take the opportunity to remind you that the Council deems it desirable that the Commission once again, as it did last year, submit a letter of amendments with the proposal to include in the final budget for 2002 an estimate of the surplus available from 2001. Based on the above, the draft budget for 2002 provides for commitment appropriations the sum of EUR 99 009 million, i.e. an increase of 2%, and for payment appropriations EUR 95 598 million, which is also a 2% increase. The draft budget submitted to you is a compromise by means of which all policy areas and priorities of the European Union can be financed without placing too heavy a burden on the Member States who try to keep their public finances under control, and where room is given, especially under the maximum amount of category 3 of the financial perspectives and category 4, for fresh priorities.

With regard to structural campaigns, the Council has allocated a high level of commitment appropriations, taking into consideration the pledges made in the framework of the conclusions of the European Council of Berlin of March 1999 and the Interinstitutional Agreement of May 1999. The pledges in this draft budget and the programmes which have been adopted within the framework of codecision between the European Parliament and the Council are in line with the jointly agreed scheduling. Administrative expenditure has been discussed in great detail by the Council. An attempt has been made, where possible, to meet the needs of the different institutions and to take account of the specific characteristics and the general objective of a moderate increase in administrative expenditure. I remain convinced that Parliament will follow the same path in the future budgetary procedure.

In this connection, the Agreement reached between the European Parliament and the Council during the consultation of 20 July pertaining to a joint declaration is a good omen. Indeed, both our institutions have agreed to ask the Secretary-Generals of the institutions to draft a report for the budgetary authority, which includes a multi-annual analysis of category 5, and which is set for discussion in the Council for budgets in November. This report must set out the proportionate benefits achieved through strengthened interinstitutional cooperation, as well as the economic proposals required so as not to exceed the maximum in category 5. Both aspects have a bearing on preparations for the forthcoming enlargement.

I will not close off this general presentation of the draft budget for 2002 without mentioning two major issues in respect of which the Council has adopted a wait-and-see approach, because a number of elements, which were not to become apparent until later on in the budgetary procedure, have been missing. These issues are the BSE and foot and mouth crises on the one hand, and the fisheries agreement with Morocco on the other.

As far as funding the effects of the BSE and foot and mouth crises is concerned, during the consultation of 20 July between the European Parliament and the Council, we concluded an agreement on a joint declaration in which the two arms of the budgetary authority were informed that, under the maximum of sub-category 1A of the financial perspectives, as laid down in the draft budget, a sufficient margin should be maintained to meet the needs in connection with the BSE and foot and mouth crises. We would ask the Commission to submit a detailed analysis of the needs and to meet those needs, first of all by using the appropriations still left from 2001, and secondly, by including the required appropriations for 2002 in its letter of amendments this coming autumn.

With regard to the financial implications of the absence of a fisheries agreement with Morocco, and the funding requirements to restructure the fishing fleet in question, the Council has stated that it would reconsider the situation in the framework of this year's letter of amendments, which is required under the Interinstitutional Agreement.

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For all those reasons, the Council has maintained the preliminary draft budget submitted by the Commission for the international fisheries agreement, and has asked the Commission only to earmark these appropriations for other fisheries agreements. I would take this opportunity to remind you of the fact that the appropriations for the international fisheries agreements, in accordance with the Interinstitutional Agreement, come under compulsory expenditure, irrespective of where that is: on the budget heading, in reserve or on a BA budget heading.

I do not intend to give a complete outline of the draft budget. That can be found in the exhaustive explanation which has been sent to you. What I would like to do is to go into more detail, that is to say per category of expenditure, of what the Council has laid down in its draft budget for 2002.

Concerning category 1 of the financial perspectives for agricultural expenditure, the draft budget has taken into consideration the implications of the decisions taken by the European Council of Berlin in March 1999 concerning the reorganisation of the common agricultural policy. Despite this, with regard to sub-category 1A of the financial perspectives, which covers the common agricultural policy, the Council has specified amounts which are generally EUR 200 million lower than the amounts which the Commission had proposed in its preliminary draft budget. This reduction does not provide for the discussion of the letter of amendments, which the Interinstitutional Agreement prescribes, and which requests that particular account be taken of the development of the markets and the state of negotiations on the different common market organisations. This reduction is mainly linear and particularly discounts the budget headings pertaining to the effects of BSE and foot and mouth, as well as the headings pertaining to the common market organisations, which form the subject of current negotiations.

Moreover, as I explained a moment ago, the Council failed to adopt the principle of a reserve of EUR one billion, which the Commission had proposed in order to cover the effects of the BSE and FMD crises, and increase the margin in the process. The Council prefers to wait for the letter of amendments which is due this autumn.

At first reading by the Council, this leads to an increase in expenditure of the common agricultural policy by 2.3% compared to 2001. With regard to expenditure for agricultural development, the Council has adopted the proposed appropriations of the preliminary draft budget and has, consequently, incorporated the entire sub-category 1B of the financial perspectives.

The Council has included in the budget the whole of category 2 of the financial perspectives, which is dedicated to structural measures, as commitment appropriations, in line with the conclusions reached by the European Council of Berlin in March 1999. In addition, the Council has accepted nearly all payment appropriations from the preliminary draft budget and only reduced the Community initiative programmes by EUR 375 million, in view of the expected delay in the implementation thereof.

In respect of category 3 of the financial perspectives, which is dedicated to the financing of internal policy, the Council is committed to funding the multi-annual programmes in an appropriate manner. That is why it has accepted the amounts which the Commission had requested in its preliminary draft budget, especially for the framework programme for research and development of the trans-European networks. However, based on the anticipated price development, the Council has curtailed the commitment and payment appropriations, which are not accompanied by multi-annual programmes, together with appropriations for agencies. In the context of this category, I should like to point out that at first reading, the Council increased appropriations in its draft budget, namely on the budget headings which were intended for this purpose in the Commission's preliminary draft budget, in order to launch Eurojust and the SIS2 system for Schengen.

As you can see, the Council has ensured that its draft budget adequately covers the priorities within the internal policy of category 3 of the financial perspectives. Consequently, the Council has created a precautionary margin of EUR 110 million, which is more generous than the margin provided for in the Commission's preliminary draft budget. This margin should be sufficient to cover your priorities, a number of which were listed by your rapporteur, including *e*-learning and immigration.

I should now like to turn to the financing of the EU's external action, included in category 4 of the financial perspectives. The Council has, to a very large extent, followed the Commission's preliminary draft budget. Indeed, the Council has maintained major appropriations and carried out only minor reductions to the commitment and payment appropriations, geographically divided across a limited number of budget headings.

In addition, as already mentioned, the Council has maintained the appropriations for international fisheries agreements in their entirety. Finally, I regret that during the consultation meeting of 20 July, no agreement was reached concerning the amount of appropriations that need to be earmarked for the common foreign and security policy. That is why the Council has adopted in its draft budget the amounts which the Commission had proposed in its preliminary draft. I must confess that I do not entirely understand the requests to reduce the amounts to be allocated to common foreign and security policy. You will agree with me that these amounts, which are already lower than in 2001, are very modest and are really the minimum required to ensure that Europe can play a prominent role on the world stage, especially in those regions which are being plagued by the crises with which we are all familiar. The wish to reduce those amounts could, more than anything, affect the European Union's credibility, and I do not believe that that was your intention.

I therefore hope that it will become apparent as the budgetary procedure further unfolds, and especially from the outcome of your first reading, that you have been open to my reasoning, which is the Council's reasoning, and that you will reach the same conclusion as I have with regard to the justification of the amounts proposed in the Commission's preliminary draft budget. As you can see, the Council has attempted to allocate adequate resources to the different priorities concerning the EU's external action.

Nevertheless, the Council has added a margin of EUR 100 million under the maximum of category 4 of the financial perspectives, which will enable you to confirm your priorities in this sector. When the Council compiled its draft budget for administrative expenditure which falls within the scope of category 5 of the financial perspectives, as already stated, it followed an approach which aims to meet the needs of the institution as far as possible, taking into account their specific features.

With regard to the Commission's staffing requests, the Council continues to support the reforms and voted in favour of 78 new posts at first reading. As for the other 239 posts, the Council had not adopted a position on this matter on 20 July. I would like to do this in light of the decision on the Regulation on the final termination of service by Commission officials.

The draft budget provides for a margin of EUR 53 million under the maximum of category 5 of the financial perspectives. This is to enable accommodation of fresh needs in the field of administrative expenditure, and the European data protection monitor, in particular.

I should like to finish the overview of the different expenditure categories with the expenditure on pre-accession aid. The Council has, in this respect, maintained the amount that the Commission had earmarked in its preliminary draft budget for commitment appropriations. As for payment appropriations, a sharp increase by 20.9% compared to last year is provided for, following an adjustment in the form of a reduction by EUR 380 million of the amount which the Commission had included in the preliminary draft. This increase reflects the priority which the Council, backed by the European Parliament and the Commission, affords this expenditure.

I would not wish to close off this presentation of the draft budget, compiled by the Council on 20 July last, without underlining my intention to bring this budgetary procedure to a successful conclusion and, like last year, to reach agreement at the consultation which precedes the Council in November. It is, therefore, my wish that the budgetary talks be continued in the same spirit, so that for the budget year 2002, a budget of European Communities can be set up which affords us the means to meet the priorities and challenges which the European Union is set to face shortly.

I would like to finish off by thanking the two rapporteurs, Mr Costa Neves and Mrs Buitenweg, for their positive contributions.

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Wynn (PSE), *chairman of the Committee on Budgets*. – Mr President, President-in-Office and Commissioner Liikanen – nice to see you. Commissioner Schreyer did say that she would be unavailable and that you would be standing in. It is like old times. I bet you are really glad to be here. Thank you, President-in-Office, for your kind words, but to be honest with you, I was extremely disappointed with the outcome of your first reading and especially with the way the conciliation went. Maybe we were spoiled last year during the French Presidency, which at least made some concessions, but this year it was back to normal. For 12 years I have made the same speech – I did not do it last year – saying that this is a budget for the Council's first reading made by Coreper and the politicians have no input into it.

We try to get you to make political decisions, we put forward all our arguments and spend hours doing it (we have a very nice lunch in the meantime) and we get absolutely nowhere. It is a dialogue with the deaf. We talk and talk and we change absolutely nothing when it comes to the Council's position. The difference between our two institutions is that we act as a Parliament should act. A Parliament should have a budget that reflects its political priorities. We do not spend money for the sake of spending money. We look at political priorities and then decide what should be allocated to them. What the Council wants to do is just keep expenditure to a bare minimum, no matter what the consequences or what it costs. We try to discuss issues like school milk. We made our point. Nothing happened. We spoke about the problems with the Structural Funds. Nothing happened.

On the internal policies, the medicines' agency and orphan medicines were one of the issues mentioned. At the SAB last year we had an agreement with the Council to increase the funding for orphan medicines and what do you do this year? You take 1.9 million off it. It just does not make sense. When we talk about trying to take Cyprus and Malta out of category 4 and put them where they should belong, you are not interested. And then when we talk about the compensation for not having a Morocco fisheries agreement, here is where we get into really serious discussion, because again nothing happened. We were trying to make the point that if you want to create some monies in category 2, you need our agreement, unless you want to take it from existing Structural Funds. Let us be clear about the money that is in category 4 for the Morocco fisheries agreement. It is in reserve.

The only things we did agree at that conciliation were two bland statements, one on agriculture, one on category 5, but Parliament made a unilateral statement concerning the fisheries. I am going to remind you about one part, because when you spoke about looking at the letter of amendment and deciding what to do, in accordance with Annex IV of the IIA only the amounts entered in the budget for agreements, which have already been concluded by the Community, can be considered compulsory expenditure. Consequently, amounts entered in reserve – and that whacking big sum of EUR 125 million is in reserve – for agreements which have not been concluded, are considered to be non-compulsory.

The Council might want to argue about that, but we do not see any argument. We will have the final say on what happens and rest assured it will not be a trade-off as to whether we keep that in or take it out to create the same amount of money in category 2. That is something that we need to be talking about. We need to be serious about this budget, to look at expenditure, especially in category 5. What are we going to do about administrative expenditure, especially in relation to enlargement? The statement about getting the secretaries-general to look at how the institutions can work together is all very well but there is a much greater issue. We actually suggested that the budgetary authority should have a value for money exercise looking at every European Union institution. You did not even respond to that.

I just hope between now and our first reading, and indeed between now and your second reading, we can have some serious discussions and serious conciliation and at the end of it some serious agreements to get a budget that we can all be satisfied with. The one thing we will not stand accused of – I am not saying that you said this but many of your colleagues in the Council seem to think this – is that we just want to increase expenditure to the maximum so that we can finance the projects that we see as our favourites, while you want to be extremely prudent. We are extremely prudent. We are sensible in the way we handle things, but we want to do it as a team. We want to act as a budgetary authority, not going back to the old days where you voted on compulsory expenditure, we voted on non-compulsory and sometime in December we ended up with a budget.

Let us hope that this year we can improve from what I consider to be not a good start to a far better understanding between our two institutions. If this Belgian Presidency is anything like the last Belgian Presidency when I did the 1994 budget, I will be extremely happy.

3-268
Costa Neves (PPE-DE), *rapporteur*. – *(PT)* Mr President, Mr President-in-Office of the Council, Commissioner, in the months between now and December, we have a great deal of work to do in order to reach the necessary agreement on the next budget. The positions of the European institutions are currently quite far removed from one another on very important issues. As far as the European Parliament is concerned, there are prior conditions that must be met: the first is to ensure rigour and transparency in the budget and in its implementation; secondly, to only adopt a position if and provided that the necessary information is available to us.

In this context, I must once again make my continuing objections perfectly clear. Where agriculture is concerned, we need information on the results that have already been achieved by the last reform of the common agricultural policy; with regard to the medium-term budgetary impact of the BSE and foot-and-mouth crises and also with regard to the obstacles holding up the rapid establishment of the new food safety authority and even with regard to the prospects for the short and medium-term development of these issues. As for the structural funds, we want to be sure that the budget will have the necessary means to undertake speedy payment of the commitments it has taken on. Under the terms of the proposals that have been tabled, just over 1% of the commitments taken on in 2002 will be paid within the same year.

In the field of internal policy – category 3 – we can see that new expenditure on new actions and bodies is increasing yet the overall sum remains the same. The margin is, of course, decreasing. With regard to the European Union's external action – category 4 – new needs are clear and cannot be met by previous reductions in commitments, either through cuts in appropriations committed or through delaying payments, as is happening now.

Nevertheless, appropriations have been earmarked for the fisheries agreement with Morocco, which we all know will not be concluded, in an attempt to thereby freeze EUR 125 million in a category that is clearly experiencing difficulties. Since this is non-mandatory expenditure, I feel sure that Parliament will also shoulder its responsibilities in this area. In category 5, administrative expenditure, on the one hand the content and pace of the Commission reform is limited and on the other, expenditure is duplicated in the field of security and defence and there is an attempt to confront enlargement without spending additional appropriations, the opposite of what the interinstitutional agreement lays down.

With regard to pre-accession expenditure, payments are being delayed and it is hard to see how this proposal can improve the situation. The implementation of previous budgets does not give any grounds for being sanguine about the future. Given the well-documented difficulties in meeting certain longstanding and more recent commitments, how can we accept the fact that in 2001, Member States have been given back almost EUR 10 billion, which remain unused? On the one hand, there are discussions about whether the euro is a good or a bad thing and on the other, 12% of the 2000 budget remains unused, which alone indicates how important it is for Parliament to take increasingly effective control of the budget's implementation. We will only take decisions on agricultural issues if we have a full understanding of the present situation and an idea of how things are going to change. We cannot accept the level of payments that has been proposed, all the more so because we want to make good past delays without undermining the current situation. We want a clear and objective definition of priorities and targets for the entire budget. We do not agree with the earmarking of appropriations which we know from the outset will not be used. Specifically, we need to identify current expenditure resulting from enlargement. We are hoping to see a real reform of the Commission and a corresponding increase in efficiency. To sum up, we want to fully shoulder the responsibilities we have as a budgetary authority which stem from our very *raison d'être*,

which is to represent those who elect us. This is what we shall do, whilst stating once more our complete willingness to cooperate in finding the best solutions for outstanding issues.

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IN THE CHAIR: MR PUERTA
Vice-President

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Buitenweg (Verts/ALE), *rapporteur*. – *(NL)* Mr President, some things are quickly learnt. It does not take an expert on budgets to work out that the Council is submitting a proposal to cut down on posts. The Council is being self-congratulatory while ably wielding the axe. The Dutch Finance Minister, your colleague, recently claimed in public that the European Parliament is the big spender of the two arms of the budgetary authority.

If one considers the struggles one faces in the course of the budgetary procedure, he appears to be right. It is true that Parliament often adds a little extra to the proposals of the Council. This is not because it is eager to fleece the taxpayer, but precisely because it wants to be a reliable authority, because it feels obliged to guarantee that the European tasks and responsibilities are actually carried out. Fine words and promises must, however, be translated into action, and that often costs money. I am already anticipating Minister Zalm's criticism that another parliament building is surely a pure waste of money.

I would therefore like to say to the Council that it should not come and cry on our shoulder now that many of these money-wasting decisions are taken at European summits. Allow me to quote the summit in Nice as an example. During that summit, the participants burnt the midnight oil in meetings to decide whether the Council should have one vote more or less. In order to ease the pain for the losers, Parliament chairs were being handed out lavishly. That, of course, is also telling of how much the Council values Parliament. It is better to have more votes behind closed doors than to have people's representatives in parliament. This cattle auction will yield us 32 new colleagues, whether we like it or not, and our total number could temporarily even increase to as many as 800. Those members will need assistants and offices, and that was not, of course, taken into account when we first set out to build the current buildings. Do these summits ever stop and consider these issues? For we are left dealing with the implications. I would therefore suggest that at the end of European summits, the political conclusions should be published, alongside a rough estimate of the financial implications. And I would invite the President of the Council to act on this straight away.

My second observation concerns the costs of the Council itself. Within category 5, administrative expenditure, the Council is the fastest growing institution, and that creates added tension within this category. To the Council, the financial perspectives are sacred, and that is why they aim to solve the problem by transferring certain expenses, which they would have gladly included in their own budget, to category 3, such as 3.5 million for Eurojust, and nearly 1 million for Schengen. That limits the scope of the European Parliament to determine its own priorities in this category. But I am an optimist: this situation also has benefits. For in this way, we gain a little more insight and we can indirectly increase democratic control. It does, of course, show where the priority of the governments lies if we are only given this control for the purposes of salvaging the Interinstitutional Agreement and saving some money.

The reallocation of Eurojust to category 3, however, is not such a clever move. Do not get me wrong, I do not want to include Eurojust in the Council's budget, but I would incorporate it under the administrative expenditure heading. This, given the nature of expenses, would also be the most logical solution, as the Council also tacitly recognised during the trilogue. I hope that we can at least agree on the principle, namely that operational expenditure belongs in category 3 and administrative expenditure in category 5. Or is the Council perhaps losing its nerve after all, given the increasing number of operational activities in its own budget?

As already stated, the Council often has a knee-jerk reaction when it comes to deciding to lower the proposed expenditure. What Terry Wynn said is true: we have, after all, suggested a radical overhaul of expenditure, and consideration of what expenditure is still necessary, whether things should be done differently, whether a number of institutions are overlapping in terms of responsibilities, whether there are bureaux that duplicate the work. That has led to a guarded reaction from the Council, which surprises me greatly, for if we want to economise, then surely these are the areas where it can be done. We will also therefore take fresh initiatives to consider radical cutbacks nevertheless.

But the Council does like to haggle, and it does not always take the actual needs into consideration in the process. Given the time constraints, I shall only mention one example, namely the Commission's reform process. That is a priority for us both. Despite this, the Council only approved 89 of the 317 requested posts. You are quite welcome to be critical of the reform process and you need not approve all plans blindly. The repercussions of the schedule for advance resignation now await you. Given the above, I wonder now whether the Council is not simply waiting for us to take responsibility, for then it would, in the final analysis, be Parliament again which is calling for extra funding.

Thrift is something to be welcomed, but one does need to enable the institutions to carry out their tasks. If not, the citizens of the Union, the taxpayers, will have something to be really disappointed about.

3-271
President. – That concludes this item.

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Question Time (Council)

3-273
President. – The next item is Questions to the Council (B5-0332/2001).

3-274
- Question No 1 by Bart Staes (H-0594/01):

> Subject: Investigation of irregularities at Europol
>
> On Tuesday 12 June the Council announced that the operation of Europol was being investigated. One of the central questions concerns the origins of the information technology on which Europol's Eurint and Europolis systems are based. Europol may well be using pirated information technology.
>
> Can the Council confirm that the patented Polygon technology from the Munich-based Polygenesys company provides the IT base for Europol's Eurint and Europolis systems or has been incorporated into them? If so, since when has Europol been using that technology, and how did it acquire it and/or the user rights to it?

3-275
Neyts-Uyttebroeck, *Council*. – *(NL)* I should like to answer the question of the honourable Member Bart Staes as follows. Firstly, the Council acknowledges that it bears responsibility for Europol in a general sense. The execution of contracts, however, is a matter which, in the first instance, falls under the competent services of Europol. The question is therefore being dealt with at the moment by the director of Europol, under the supervision of the board of management.

However, the Council has information that all contracts entered into by Europol at the time are now being examined by an independent external bureau as a result of a decision by Europol's board of management. The inquiry into the supposed theft of software and its possible use has been forwarded for further investigation to the public prosecutor in The Hague. A parallel judicial inquiry has opened in Germany.

We must therefore await the results of the judicial inquiry before we can provide further details. I should like to point out to the honourable Member that the discovery of fraudulent practices was the result of the nonetheless efficient operation of the existing present monitoring structures, since this is how they were brought to light.

3-276
Staes (Verts/ALE). – *(NL)* I should like to thank Mrs Neyts for her full answer, a very concrete answer to a very concrete question. I should, however, also like to approach the matter from a political perspective. Mrs Neyts may say that the present cases of fraud were discovered through internal monitoring. Nevertheless there is a perception on the part of the public and by a large part of the political world that there is insufficient democratic control of Europol, and various avenues are being explored to intensify that control.

Among other things under consideration are a modification of the OLAF Regulation and in the Belgian parliament the idea is circulating of setting up a Committee P and a Committee I on the Belgian model for the supervision of police forces and intelligence services for Europol too.

Does the Minister see any chance of a debate on this subject being held within the Council and within European institutions, so that we can reassure citizens regarding democratic monitoring of what is, after all, an important police service, although still in an embryonic state?

3-277
Neyts-Uyttebroeck, *Council*. – *(NL)* I would say in reply to the honourable Member – and he will understand this – that we want to wait and see what concrete shape may be taken by the interesting ideas that are crystallising at present.

3-278
President. – Question No 2 by Camilo Nogueira Román (H-0595/01):

> Subject: Discrimination in the way in which the catch reduction decided upon by the Council of Ministers has been distributed amongst the fishing fleets of the various Member States
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> On 18 June 2001 the Council of Ministers decided on the way in which the catch reduction would be distributed amongst the fishing fleets of the various Member States. The outcome was a serious case of discrimination affecting, in particular, the Spanish (and especially the Galician) fleet, which would be required to withdraw hundreds of vessels from service whilst hundreds of French and Irish vessels would be exempted. What justifies the fact that the Spanish (including the Galician) fleet is constantly subject to measures which restrict its activity on a pretext of resource conservation which does not apply to other countries?

3-279

Neyts-Uyttebroeck, *Council*. – I can say to the honourable Member that on 18 June this year the Fisheries Council took no decision in respect of hake fishing. However, on the basis of the critical state of the cod and hake stocks outlined in the Commission's communication of 12 June and on the rebuilding of cod and hake stocks which was presented to the Council, and I quote: "The Commission adopted an emergency regulation on 14 June establishing measures for the recovery of the northern hake stock. Article 2(2) of the Commission Regulation provides for a derogation for vessels of less than 12 metres overall length using a mesh size of less than 100 mm from a maximum share of 20% of hake in the retained catch, provided that the vessels – not the catch – return to port within 24 hours." On 22 June Spain asked the Council to amend this provision. On 20 July the Council noted that there was no majority for amending it in the way proposed by Spain.

3-280
Nogueira Román (Verts/ALE). – *(PT)* Mr President, Madam President-in-Office of the Council, only the discrimination suffered by the fleets of southern Europe, from Portugal and Spain – particularly Galicia – can explain the tangible discrimination we are now discussing. The European Union's institutions still consider these fleets to be intruders in seas that belong to all of us. This discrimination manifests itself in the application of the principle of relative stability which, for example, grants a country from northern Europe 40% of catches taken in Community waters, whilst Spain and Galicia receive only 6%. As a result, we must ask once again: what is the Council's position on the necessary communitisation of fishing rights in European Union waters in accordance with the principles laid down in the Treaties?

3-281
Neyts-Uyttebroeck, *Council*. – Mr President, I can only say that I suppose that the state that tabled the amendment will come back to the subject and the Council will then debate it again. That is all that I can say at this moment.

3-282
Varela Suanzes-Carpegna (PPE-DE). – *(ES)* Mr President, I would like to take this opportunity, in the presence of the Presidency-in-Office, which says it is going to study this issue again, to say that the excuse of conserving a resource such as hake, without sufficient or confirmed scientific reports, is at the origin of the discrimination against the Spanish fleet, which we are discussing here.

The Commission has told us in the Committee on Fisheries that this discrimination is for social reasons in favour of Great Britain and France, and that that is the reason for the exception.

Madam President, my question is why does the Commission, and in this case the Council, by a majority and for social reasons, not defend Spain, and specifically a region such as Galicia, which is an Objective One region and is therefore more needy, and whose fishermen traditionally fished in those waters which are now common. These fishermen, for social reasons, do not sleep at home, owing to the enormous distance they have to travel.

If the reasons are social, I would ask you please to take account of the protection of Spanish fishermen.

3-283
Neyts-Uyttebroeck, *Council*. – I can only say after the five very pleasant and most interesting years which I spent in this august assembly that I am perfectly aware of the seriousness and the sensitivity of the subject. I take that into account.

3-284
President. – We do not doubt that these five years you have been with us in Parliament will help you to communicate this very serious problem to the European Council.

As they deal with the same subject, Questions Nos 3, 4, 5 and 6 will be taken together.

Question No 3 by Herman Schmid (H-0599/01):

> Subject: The EU's rapid reaction force in Sweden
>
> In response to the chaotic situation which arose in Göteborg during the EU summit in June, when police and demonstrators clashed, it has been suggested in various Member States that it ought to be possible for the EU's rapid reaction force to be deployed to control riots and civil disturbances. Anders Mellbourn, the head of the Swedish Foreign Policy Institute, for example, wrote in Dagens Nyheter on 24 June:
>
> 'This probably means that the police will have to be supplemented by some kind of riot police units which possess a combination of police and military training. This is hardly the kind of task to entrust to conscripts: it calls for professional soldiers or else police with military training. Operational cooperation between the police forces and the military of several EU countries is required […] It is not easy for the EU to bring together a standing force of 5 000 police officers for civil crisis management. Dialogue to prevent conflict needs to be supplemented by increased intelligence activity. All this is also needed in order to be able to contribute to effective conflict- and crisis-management in the Balkans or the Middle East. But it is also needed – albeit, one hopes, rarely – to cope with certain domestic crises in Sweden or neighbouring EU countries.'
>
> Does the Council agree that in future it ought to be possible for the EU's rapid reaction force to be deployed within the Union itself when situations such as that in Göteborg arise?

Question No 4 by Alexandros Alavanos (H-0676/01):

Subject: The G8 meeting and security at summit meetings and other conferences of equivalent importance

A few days before the deplorable events which unfolded in Genoa during the G8 meeting, the 15 Foreign Ministers unanimously endorsed the decisions by the Interior Ministers on security at EU summit meetings and other conferences of equivalent importance. Will the Council say: did the Italian authorities call for the setting-up of a team of police officers or intelligence service officials to act as liaison officers who could be seconded from the Member States from which groups of troublemakers originate (Article 1(b)) and for all the legal technical means to be deployed to achieve a more structured exchange of information concerning troublemakers on the basis of files held in the various Member States? (Article 2(d)). If so, which governments of the 15 Member States have responded?

Question No 5 by Ioannis Patakis (H-0678/01):

Subject: Violation of basic democratic freedoms and human rights in Genoa

The unanimous Council decisions on taking repressive measures ahead of the Genoa Summit provided the political backing the Italian government needed for the events that took place there. Once again, a summit has been marred by the excessive use of force and savage repression. After the bloodshed in Göteborg, more blood has been shed in Genoa: the Italian police and army launched an even more savage attack against peaceful demonstrators protesting about globalisation and expressing their opposition to decisions taken without, and at the expense of, the peoples of the G7+1, the EU and other political and economic organisations. The outcome of this summit is: a number of deaths, dozens of injuries, mass expulsions and arrests and the brutal violation of democratic freedoms and even of the Community principle of freedom of movement.

Since this summit was attended by the leaders of the four largest and dominant States in the EU and since the statements both by the Belgian Presidency and the other governments of the EU on the events at Genoa suggest that there will be a more violent and bloody response to demonstrations at future summit meetings, starting with Laeken, will the Council say whether it is aware of the very onerous political responsibility it bears for its decisions of 13 and 16 July to take repressive measures and whether it intends to revoke them, given that they are in flagrant breach of democratic freedoms and human rights, such as freedom of movement, of assembly and of expression, which were brutally violated in Genoa?

Question No 6 by Hans-Peter Martin (H-0687/01):

Subject: Future of EU Council summits following the events in Göteborg and Genoa

Following the disturbances which marked the EU's Göteborg Summit and the G8 summit in Genoa, and taking particular account of the moves to have EU summits held exclusively in Belgium in the future, what implications does the Council foresee for summit meetings of this kind? What conclusions should be drawn regarding the organisation of, and the scale of, the agendas for such meetings?

3-285

Neyts-Uyttebroeck, *Council. – (FR)* Mr President, ladies and gentlemen, these issues have a very close bearing on the debate we held this afternoon on the G8 summit in Genoa and all the events surrounding that meeting. I would like to remind Members of the unanimous position taken by the Council and the representatives of Member State governments on the question of security at European Council meetings and at other events that are likely to have a similar impact.

The Council reiterated that one of the European Union's objectives is to maintain and develop the Union as an area of freedom, security and justice. In such an area, citizens must enjoy the right to freely express their opinions and to assemble in a peaceful manner. They must do so, however, in conditions where there is not a threat to their own security or to that of other citizens or properties. On 13 July this year, the Council and the representatives of the Member State governments therefore deplored the actions of those who abuse these democratic rights by initiating, planning and carrying out acts of violence to coincide with public demonstrations.

For the purpose of ensuring that these principles can also be applied in the context of important meetings, the Council and the representatives emphasised the need to establish a dialogue with non-governmental organisations, social partners and civil society, and also that we must build on and we shall build on the possibilities offered by existing legal instruments and bodies set up within the European Union.

Like Mr Vitorino before me, let me lay particular emphasis on the provisions of the Convention applying the Schengen Agreement and the joint action of 26 May 1997 on cooperation on law and order and security. The idea is that the task force of European Union chiefs of police should make a significant contribution to the practical implementation of cooperation between the law enforcement authorities of the Member States. Incidentally, this task force has absolutely nothing to do with what the author of one question described as a joint police unit in the context of an EU-led crisis-management action.

In reply to the two questions put, respectively, by Mr Krarup and Mr Korakas, during Question Time at Parliament's last part session in July 2001, I had an opportunity, speaking on behalf of the Council, to detail the measures taken by the Swedish government during the Gothenburg Summit. In the same way, by letter of 11 July 2001, the Italian government

informed us, under the procedures in force, of the measures it had taken under the second sentence of Article 2(2) of the Convention applying the Schengen Agreement.

At the Council meeting of 16 July 2001, the ministers declared themselves in favour of closer international cooperation to safeguard the exercise of freedom of expression on the one hand and, on the other, to ensure that public demonstrations of this kind can and do take place in a peaceful manner. Nonetheless, we must admit that responsibility for the maintenance of law and order on the territory of the EU Member States falls within the remit of their own national authorities. The Council is not authorised to comment on a matter that does not fall within the area of competence conferred on it by the Treaties.

3-286
Alavanos (GUE/NGL). – *(EL)* I should like to thank the President-in-Office for such a detailed reply. However, my specific question perhaps got lost in the detail, because the Council does not appear to be quite as unanimous as she would have us believe. For example, the Greek government protested to the Italian government that dozens of Greek nationals were unable to enter Italy and were sent back on the same boat prior to the meeting in Genoa.

My question, which I would like the President-in-Office to answer, is this: were the plans to set up teams of policemen or intelligence service officers to operate as links between the Fifteen and were the plans to exchange information in files on people classified as troublemakers implemented before Genoa or not? Did the Fifteen cooperate in this regard?

3-287
Neyts-Uyttebroeck, *Council*. – *(FR)* Mr President, ladies and gentlemen, first of all I believe I said, although perhaps in rather diplomatic terms, that the Council cannot comment on the way in which a member country, a Member State, organises the maintenance of public order on its own territory, because it does not have the authority to do so. Obviously that does not mean that a Member State cannot make known its position in regard to another Member State, which is, in effect, what has happened. But that does not fall within the Council's remit.

In regard to your second question, I will have to check this and obtain information before I can reply. All I know is that in the fight against what is called 'hooliganism' at major sporting events, the police authorities have clearly begun to cooperate on exchanging information on individuals who have repeatedly been proven responsible for disturbances or worse at major sporting events. That is something I know. In answer to the question whether there was any cooperation of the kind to anticipate or prevent possible trouble during the meetings of European Union bodies: I do not think so, but I will have to check this and will do so.

3-288
Alavanos (GUE/NGL). – *(EL)* The minister said that she needs to make inquiries before giving an answer. Does that mean she will be giving me a written reply once she has this information?

3-289
President. – The Council replies according to its true knowledge and understanding. You can ask the question again if you wish.

Mr Patakis, do you wish to ask your question again?

3-290
Patakis (GUE/NGL). – *(EL)* The President-in-Office has not replied to the question which I submitted and I should like to repeat it, although I would say that, following the police raid on offices of organisations in Liège and from the position taken by the Belgian Minister of the Interior in the European Parliament Committee on Citizens' Freedoms and Rights, Justice and Home Affairs, it would appear that the Belgian Presidency does not have virtuous intentions towards the demonstrations planned in Laeken.

My question is: can the President-in-Office assure us that there will be no police violence and suppression such as we saw in Gothenburg and Genoa?

3-291
Neyts-Uyttebroeck, *Council*. – *(FR)* Once again, Mr President, ladies and gentlemen, we have to draw a distinction between my replies as President-in-Office of the Council, which cannot go beyond the presidency's remit – as you must realise – and the replies I might wish to give as a member of the Belgian government.

First of all, it is traditional, and not just traditional, I believe it is the duty of any member of government not to comment on on-going judicial investigations. Secondly, when I described the presidency's position on the G8 meeting this afternoon and discussed means of ensuring that both these meetings and the demonstrations outside proceeded peacefully, I stated and reiterated the Belgian government's concern and firm resolve to reconcile the right to demonstrate with the maintenance of public order, as also to prevent the kind of violence we saw both in Gothenburg and in Italy.

We are doing all we can to achieve this. I hope everyone will want to make their personal contribution and use all available means.

3-292
Martin, Hans-Peter (PSE). – *(DE)* Mr President, I have listened to your comments with interest, but I would like to refer back to my question, Question No 6: What conclusions should now be drawn for European Council meetings in future, not only as regards policing but also in organisational and policy terms? In particular, I should like to know whether you are considering reducing the number of participants and the agenda, as has happened with the G8 summits. If the European Council meetings are only to take place in Belgium in future, has the idea of its own designated location been considered? Are there any thoughts on this issue and if so, what are they?

3-293
Neyts-Uyttebroeck, *Council*. – *(FR)* First of all, the Prime Minister of my government has already indicated that he is reflecting on and will make proposals for a review of the way the G8 summit is organised. Secondly, Prime Minister Verhofstadt has sent a letter to his colleagues in the 14 other governments asking them to reduce the size of the delegations that would be sent to or would participate in the Laeken Council. Let me remind you that in the case of the Ghent European Council he opted for a very restricted meeting. We fully intend to proceed along the same lines precisely because we are trying to learn as much as we can from what we ourselves witnessed in Gothenburg and in Genoa, i.e. at both meetings.

3-294
Korakas (GUE/NGL). – *(EL)* We have a degree of understanding for the panic which has gripped the representatives, for want of a better expression, of big business, including the current presidency, in the face of increasing reaction on the part of the workers in our countries to anti-grass roots policies and the new imperialist order. I should like to point out to the President-in-Office that it was not the "bloc noir" that was attacked in Genoa, it was the peaceful demonstrators. It is clear from the attack on the offices of Social Forum, which organised the demonstrations, that the target was not the *agents provocateurs* talking to the forces of suppression, but those organising the people's fight against the prevailing policy of the G8 and the European Union.

The statement made by the Belgian Minister for Foreign Affairs to the European Parliament Committee on Citizens' Freedoms and Rights, Justice and Home Affairs gives us cause for concern, Madam President-in-Office. The attack on the offices in Liège, which you already know about, gives us cause for concern and we fear that the reaction in Laeken will be even more savage. We want you to promise that there will no such reaction to the workers' right of demonstration and expression in our countries. We shall be turning out *en masse*.

3-295
(FR) We will be going to Laeken *en masse* to protest against the European Union's policy. Will you look after us as well as you did in Genoa?

3-296
Neyts-Uyttebroeck, *Council*. – *(FR)* Let me say first of all that I most emphatically reject the honourable – and I continue to say honourable – Member's attacks on the Belgian Presidency and the Belgian government. These attacks are totally unfounded and I would ask him to withdraw what he has just said because he is quite simply putting words into our mouth.

I have replied calmly throughout the day and we have discussed these questions at great length. I can only repeat what I have already said. Furthermore, I am taking careful note of your expressed resolve to demonstrate – peacefully, I hope – what you think of the workings of the Union's institutions. If it is peaceful, there will be no problem.

Let me also reassure everyone that there is no question of panic; we have to prepare as carefully as possible in order to avoid a repetition of what we saw but also because – need I remind you – my country has unfortunately witnessed tragedies that were sparked off or took place during major sporting events. They now date back more than 15 years and we want to ensure at all costs that they never happen again.

Let me also tell you that during the championship held last summer – Euro 2000 – we proved that we had learned the lessons of the tragedy to which I have just referred and we showed that we were certainly fully capable of organising events of the kind, which involve huge crowd movements. There is no question of panic; it is a question of very careful preparation.

3-297
President. – Question No 7 by Gerard Collins (H-0601/01):

> Subject: Shannon as EU headquarters for natural or environmental emergencies response
>
> At its meeting of 28-29 May 2001, the Council agreed to improve and coordinate EU civil protection intervention in the event of major natural, technological, radiological or environmental emergencies by setting up a common emergency communications system, common training and fast mobilisation of assessment/coordination teams and intervention teams. Would the Council consider locating an operational headquarters for this civil protection plan in Shannon which, among its many relevant facilities, includes a major international airport which could be used for

transporting resources and provisions for interventions in third countries and could handle the pooling of information on serums and vaccines to which the Council Decision also refers?

3-298
Neyts-Uyttebroeck, *Council*.– *(NL)* On 29 May 2001, the Council decided upon a common approach with regard to the draft decision to establish a Community mechanism to facilitate increased cooperation in aid intervention in the context of civil defence, subject to the treatment of the recommendation of the European Parliament of 14 June 2001 and provided that the Parliament withdraws a number of its reservations.

Since then the Council agencies have reached complete agreement on the draft, subject to the legal and linguistic amendment of the text and, as I have already said, the withdrawal of parliamentary reservations. The text of the draft decision, doc. 10483/01, is, by the way, on the Council's website. That draft provides for the setting up of an observation and information centre that can collate requests for aid and centralise the aid offered and that will be linked with contact points specified by the Member States.

That centre can alert evaluation and/or coordination as well as intervention teams, which have been specified beforehand and hence assigned the necessary personnel in advance. The draft also provides for training programmes, the pooling of information on serums and vaccines and the promotion of the use of new technologies. Contrary to what the honourable Member believes, there are no plans for collecting the aid material in one place, since that will be delivered directly by the Member States.

The implementation of this mechanism will be entrusted to the Commission, supported by a committee. It is therefore up to the Commission to decide where the observation and information centre and the other services necessary for the implementation of the mechanism will be located. This question will therefore have to be put to the Committee at the appropriate time.

3-299
President. – As the author is not present, Question No 8 lapses.

3-300
- Question No 9 by Brian Crowley (H-0605/01):

Subject: Handling business failure

As part of the Commission's programme for Enterprise and Entrepreneurship a seminar was organised by the Commission on 'Daring to risk going bust' and handling business failure. It was also a response to the requirements of the Charter for Small Enterprises which was welcomed by the Feira European Council. What are the Council's views on the impact of legislation on business failure, the need for support measures for entrepreneurs facing a risk of business failure and allowing for a fresh start after business failure, which were the key topics for the parallel workshops?

3-301
Neyts-Uyttebroeck, *Council*. – *(NL)* I would remind the honourable Member that at its meeting in Santa Maria da Feira on 19 and 20 June, the European Council emphasised that small businesses were unmistakably the backbone of the European economy. They are an important source of employment and a breeding ground for new business concepts.

To support the recommendations it had made, the Council highlighted a number of points, including the idea that a well-considered initiative involves a risk, or a measure of failure, which must be seen mainly as an opportunity to learn. In general the Council has taken a positive position with regard to the simplification of the regulatory framework for industry.

The seminar to which the honourable Member refers was organised jointly by the Minister for Economic Affairs and the European Commission on 10 and 11 May 2001. The Council has not taken any position on the results of the seminar and I would therefore request the honourable Member to turn directly to the organisers for information.

3-302
Crowley (UEN). – Mr President, I would like to thank the President-in-Office for her answer, if you could call it that. The specific point that I raised in my question, which I thought would be self-evident, was that because of sudden downturns in the economy in America and other parts of the world, there is increasing pressure being put on small and medium-sized enterprises in a very strict and rigorously competitive market.

Therefore, I was somewhat heartened by the daring-to-risk-going-bust attitude of the conference because that would give us experience to know the main reasons why small and medium-size enterprises fail, whilst at the same time recognising that they are the biggest engine of growth within the overall European Union economy, creating something like 82% of employment and representing 74% of all manufacturing.

Hence my question to the President-in-Office about the Council's position: what actions can be taken to ensure the continuance of this very strong sector? In particular how can entrepreneurs learn from mistakes and failures, and if they fail once, be encouraged to continue and learn from those mistakes?

3-303
Neyts-Uyttebroeck, *Council*. – As the honourable Member has repeated the question which was addressed to us earlier, I can only repeat the answer I gave. I am sorry.

The thinking is developing and this is shown by the conclusions to which I refer. The seminar is a further initiative. I expect that eventually you or some of your colleagues might invite the Commission to take a number of measures. I know that the Council attaches great importance to small and medium-sized enterprises and recognises that these constitute the backbone of our individual economies and of our European economy in general.

3-304
President. – Question No 10 by Pat the Cope Gallagher (H-0607/01):

> Subject: Priorities in the fisheries sector during the Belgian Presidency
>
> Will the Council under the Belgian Presidency outline its priorities for the fisheries sector, taking into account the particular and unique requirements of peripheral countries such as Ireland, which has 11% of Community waters in its jurisdiction but only 4% of Community quotas?

3-305
Neyts-Uyttebroeck, *Council*. – *(FR)* The Belgian Presidency will endeavour to bring the debate within the Council on the Commission's Green Paper on the reform of the common fisheries policy to a successful conclusion.

Other priorities are the extension of the multiannual guidance programmes and rebuilding the stocks at risk.

It was apparent even from the first questions that this is a far from easy task.

Special attention will be devoted to the issue of discards into the sea. The specialists know what this is about; if you like and if you put the question, I will explain it to you.

As regards, and I quote, Ireland's 'particular and unique requirements', it is worth repeating that fishing quotas are distributed among the nations that practise fishing according to the principle of relative stability and that the size of a Member State's fishing zone is not, in itself, a criterion for the distribution of these quotas.

However, Ireland does receive preferential treatment as regards financial support from the Community for carrying out control, inspection and monitoring measures.

3-306
Gallagher (UEN). – I note that the President-in-Office has referred to the discussions which she hopes will come to a fruitful and successful conclusion. I would add that I hope it will also be a fair conclusion. In addition, I am pleased that she has referred to discards. This has to be top priority because too many fish that are taken aboard vessels are discards – and then it is much too late.

I would ask the President-in-Office whether she would take into consideration the initiative taken by both Ireland and the UK in relation to technical conservation measures and see that some effort is made by all countries to try to ensure that the smaller fish are not taken on board.

You referred to the point that relative stability and special unique circumstances cannot be taken into consideration. We are now 20 years on and if we continue with the same principle as we had in 1983 then small countries like Ireland will be worse off.

We have to be pragmatic about this. The Council, the Council of Ministers, the presidency have to take into consideration that in Ireland the coastal regions have no alternative source of employment. It is a peripheral area, an Objective 1 area. Those regions must be taken into consideration. I would ask the President-in-Office to keep an open mind.

3-307
Neyts-Uyttebroeck, *Council*. – Mr President, I can assure the honourable Member that – if I can say this – I will take on board the points he has made.

3-308
Newton Dunn (ELDR). – Mr President, as a supplementary, is the presidency concerned about the fact that there are so many power stations, particularly around the North Sea and in the north of Europe, where, when water is sucked in to cool the power station, vast numbers, literally billions, of tiny floating creatures that would turn into fish are destroyed. Would the President-in-Office undertake to investigate this and try to conserve the stocks of fish, many of which are destroyed in their infancy?

3-309
Neyts-Uyttebroek, *Council*. – I hope the honourable Member does not expect me to investigate this personally and physically. Again, it is a consideration that we will take on board.

3-310
President. – It was not exactly a direct question on fisheries policy, but I am sure the President-in-Office of the Council is kind enough to take very good note and that this problem will also be addressed in Council.

3-311
President. – As the author is not present, Question No 11 lapses.

3-312
- Question No 12 by Liam Hyland (H-0611/01)

> Subject: Using hydrogen energy in urban/rural transport
>
> Earlier this year the Commission announced its support for the launching of a demonstration project involving the use of hydrogen energy in buses in Iceland, a non EU Member State but a country which is paving the way for sustainable urban transport.
>
> Given the EU's welcome commitment to stand by the Kyoto Protocol and its continued support for sustainable development, will the Council ensure that the EU's welcome support for this project, which is the first in a series of fuel bus demonstrations taking place in Europe in the years to come, will be given top priority as hydrogen energy is a true zero emission technology, and will it ensure that this demonstration project is extended to rural transport and not just urban transport projects?

3-313
Neyts-Uyttebroeck, *Council*. – *(FR)* Mr President, ladies and gentlemen, on 6 June 2001 the Council gave its political agreement to a common position on the proposal for a European Parliament and Council decision on the Sixth Environmental Action Programme.

The final version of this text has been officially adopted and will be forwarded to Parliament at the end of this month or the beginning of next month for second reading. It makes it clear that the Council will firmly support renewable energy sources. As for the particular project to which the honourable Member referred, it is up to the Commission, in the framework of its competences, to organise pilot or demonstration projects and, if necessary, to put appropriate proposals before the Council.

3-314
Hyland (UEN). – I thank the President-in-Office for her positive response and for outlining the present position with regard to my question. Alternative fuels have been a live agenda item in this Parliament for a number of years but we do not seem to be any closer to a practical outcome. It is obvious that hydrogen energy represents an alternative to fossil fuels, but there are other possible alternatives, such as bio-energy, which is relevant to sustainable land use. Can the President-in-Office give the House an update on research in these areas and how soon we can expect a positive breakthrough in the area of alternative fuels?

3-315
Neyts-Uyttebroeck, *Council*. – I have to confess to the honourable Member that for the life of me, I cannot answer your question. The only thing I can do is to refer you to the Commission that has, within its remit, the obligation to follow this up very closely and monitor whatever is going on. The Commission is much better placed to give you a full answer to your question.

3-316
President. – Question No 13 by Esko Olavi Seppänen (H-0619/01):

> Subject: European tax
>
> The Belgian Presidency has not made clear what it means by the possible introduction of a European tax. What plans does the presidency have, and what legal basis does it have for its plans, for the introduction of a European tax as a source of EU own resources?

3-317
Neyts-Uyttebroeck, *Council*. – *(FR)* At the Ecofin Council of 10 July 2001, the Belgian Presidency put forward the idea of financing the European Union directly. To be honest, I must add that the reactions to this were not all enthusiastic. Having said that, in the presidency's view, and looking to the future of the Union, we must first consider and then, in the longer term, provide for the possibility of directly financing part of the Community budget without, however, increasing the pressure of taxes in general. The financing of the Union, both the indirect financing system we all know, and the possibility of direct financing, is one of the options we are examining with regard to the future of the Union.

3-318
Seppänen (GUE/NGL). – *(FI)* Mr President, I would like to ask the President-in-Office whether she has noted that in a vote taken in July the European Parliament did not support the proposal regarding the enactment of a European tax.

3-319
Neyts-Uyttebroeck, *Council*. – The presidency has noted that, thank you.

3-320
President. – I would remind you that, in accordance with the Rules of Procedure, questions should be asked; this does not prevent statements sometimes being made. It cannot be prevented. But I would remind you what this Question Time is for.

3-321
- Question No 14 by María Izquierdo Rojo (H-0621/01):

Subject: Withdrawal of olive residue oil

As a precautionary measure, all sales of olive residue oil have been stopped in Spain and it has been withdrawn from shops as a matter of urgency.

Does this oil comply with European rules on olive residue oil? Has there been accidental contamination or is the problem a consequence of the normal manufacturing process? Was it the return of a shipment of oil exported to the Czech Republic which revealed the excessive level of benzopyrene? What other shipments have been exported and to which countries? Was the existence of this shipment known of in May of this year? Will compensation be provided for the damage caused? What will be done with the oil which has been withdrawn?

3-322
Neyts-Uyttebroeck, *Council*. – *(NL)* According to information given to the Commission and its competent services and also received by the Council, olive oil made from olive waste has been taken off the market in Spain after the Spanish government had activated the system for the rapid exchange of information in emergencies on 4 July 2001 on account of the fact that polycyclic aromatic compounds (PACs) had been found in this oil.

It is stated that the contamination arose during a normal manufacturing process, a process that also includes the refining of the oil. During the burning process caused by the drying of the olive residue, benzopyrene is released. At present Community legislation does not contain an upper limit for the PAC content in foodstuffs. The Scientific Committee on Human Nutrition, which falls under the remit of the Commission, is, however, at present evaluating the impact of PACs on health, in order to determine the maximum admissible level of the intake of those substances via human food. Since the competent services are still heavily involved in the research, the honourable Member will undoubtedly agree that the Council is not the appropriate body to deal with this question. I would therefore request her to turn to the Commission for additional information.

3-323
Izquierdo Rojo (PSE). – *(ES)* Mr President, Madam President-in-Office of the Council, I am grateful for your technically rigorous reply to this question, which I have also put to the Commission.

But does the Council realise that it has been the rashness and incompetence of the Minister that has led to the loss of more than ESP 14 000 million, with disastrous economic consequences?

Madam President-in-Office of the Council, when it is Ministers themselves who provoke the crisis through their improvisation and inefficiency, is it they who will have to meet the cost?

If the Spanish government has known about a toxic shipment since May, why did they keep it under wraps for a month and why did they only raise the alarm after a month? Why has it been communicated to the European Union so late and so badly? Has there been coordination with the European Union?

Does the Council realise that, having raised the alarm in the management of this food crisis, this unpopular Peoples' Party Minister has caused real chaos?

Which countries had this been exported to?

3-324
Neyts-Uyttebroeck, *Council*. – *(FR)* Mrs Izquierdo Rojo is well aware that the presidency of the Council has to remain above the Member States and also above any political or ideological disputes. She will therefore understand that for these reasons I cannot answer the questions she has just asked.

I would just like to make a general remark, in a personal capacity. If the members of any government whatsoever do not react quickly enough to problems with food or other consumer products, they are taken to task. If they act as soon as they believe there are sufficient grounds for doing something, they are accused of causing chaos and financial losses. It is not easy to be a minister these days!

3-325
President. – We understand that Mrs Neyts-Uyttebroeck is not now an MEP, but a Minister; it is therefore understandable that she should talk of Ministers' problems.

Mrs Ayuso González has the floor for a supplementary question.

3-326
Ayuso González (PPE-DE). – *(ES)* Mr President, Madam President-in-Office of the Council, I can share the concern of the Member who asked the question, but having said that, I would like to clarify that olive residue oil is a by-product of the olive, which is produced after obtaining the olive oil and, furthermore, from every 100 kilos of olives, 20 litres of olive oil

and 1.6 litres of olive residue oil are obtained. We are therefore talking about 8% of production and a product which is consumed very little.

As you rightly said, Madam President, the problem has arisen as a result of the method of extracting olive residue oil, and therefore traces of benzopyrene were found in the olive residue oil and, given the lack, as you also said, of a European regulation setting the limits, the Spanish Ministry of Health proceeded, applying the precautionary principle, to withdraw this oil from circulation. Today the extraction techniques have been modified and oil can be obtained which is free of benzopyrene. At the moment they are having the same problem in Italy, for the same reasons.

Therefore, I would like to ask the Council whether it is in any way going to promote the filling of this loophole in the law, so that there may be permissible limits in human food, because, as the saying goes, 'the poison is the dose, not the substance in itself' and that is the basic principle of toxicology.

3-327
Neyts-Uyttebroeck, *Council. – (FR)* I have two things to say in response to the comments and questions we have just heard.

To avoid any misunderstanding, let me begin by pointing out that the spokesman for Mr Byrne, the Commissioner responsible for health, stated that there was no question of Member States taking measures against virgin olive oil from Spain, because the problem does not even arise there; that oil is not contaminated by benzopyrene because it is manufactured by an entirely different process.

Secondly, as I pointed out, the Scientific Council attached to the Commission is currently carrying out studies to determine the maximum admissible rates of what are known as polycyclic aromatic hydrocarbons. So this study is under way and the Commission will no doubt make proposals to the Council, which will then consider those proposals.

3-328
President. – Question No 15 by Ioannis Marinos (H-0623/01):

> Subject: Information of Greek citizens about the euro
>
> A mere few months before the official introduction of the euro, a survey carried out by Eurobarometer in Greece in late March and early April 2001 revealed that 47.8% of Greeks felt that they knew 'very little or little' about the euro, while 25.5% said that they knew nothing about the subject. The lowest figures were among people aged over 55, 36% of whom know nothing about the new currency, and only 16% saying they were adequately informed. It is also notable that 42% of Greeks on low incomes appear to be completely uninformed about the euro, while 4 out of 10 Greeks are unaware that Greece is a member of the euro zone.
>
> What is the Council's assessment of the results of this survey? What are the corresponding figures for the other countries in the euro zone? What conclusions can be drawn about the effectiveness of the information campaign on the new currency conducted by the Greek government and the other 11 governments? What are the negative effects ensuing from such apparently inadequate preparation for the acceptance of the euro in the public's mind, and how are cohesion and monetary stability put at risk by the lack of practical information and organisational preparation, particularly in the case of small and medium-sized businesses?

This is a very broad question and I trust that the President-in-Office of the Council will be able to summarise.

3-329
Neyts-Uyttebroeck, *Council. – (FR)* Ladies and gentlemen, the euro group meets once a month at ministerial level to take stock of preparations for the changeover to the euro. At the meeting held on 4 June, the ministers, the Presidents of the European Central Bank and the Commissioner responsible considered the preparations being made for the introduction of euro notes and coins on 1 January 2002. They welcomed the encouraging progress made in this area, and particularly the fact that consumer awareness is increasing. They also recalled their intention to step up information campaigns during the second half of the year to help smooth the currency changeover.

Against this background, the ministers reiterated their desire to ensure that the conversion of all prices, tariffs and charges coming under their governments' authority would not have any effect on prices or would have only a minimum impact on consumers. The ministers called on retailers to implement their commitment to respect the good practice that they had included in the joint declaration of European consumer and business associations adopted on 2 April 2001, and to do everything in their power to guarantee the overall stability of their prices when converting to the euro and to give a clear signal of this commitment to their customers.

The ministers also noted that several Member States had stepped up their price monitoring and that the relevant agencies had been vigilant about price conversion issues. The ministers considered that dual pricing throughout the entire dual circulation period was vital to allow consumers to check prices both in euros and in their national currency. They also encouraged consumers to familiarise themselves more with prices labelled in euros and to continue to carefully compare competitors' prices, particularly between now and the end of the year and during the dual circulation period.

3-330

Marinos (PPE-DE). – *(EL)* I thank the Minister for her general reply, but my question was specifically about Greece. I wanted to say that the statistics in my question were compiled a long time before her answer and that things are changing for the better. However, according to the latest EUROSTAT figures, there is a growing fear that a lot of people will use this opportunity to increase the prices of goods and services and that this will mainly hit the most vulnerable groups of consumers such as the elderly, the young, the poorly educated, immigrants and the mentally handicapped. Especially as, in Greece at least, 1 euro is worth 340.75 drachmas, meaning that it is very hard to make the sort of quick calculation needed every hour of every day. That is why I want to know if, even at the eleventh hour, the Council is giving any thought to the easiest solution all round, i.e. for each Member State to order and distribute cheap pocket calculators which convert each country's currency into euros, so that even the most poorly informed or disabled citizen can immediately calculate what they are paying, what they are being paid and who is trying to rob them.

3-331
President. – This is not a question, Mr Marinos. We have listened very attentively to your statement on the problems which may arise in Greece, in your judgement; but there cannot be a reply.

Mr Marinos, if the President-in-Office of the Council wishes to reply to you in some way, I have no objection. Naturally she shall have the floor. But I do not believe, as President, that there has been a supplementary question, but rather a statement by you.

3-332
Marinos (PPE-DE). – *(EL)* Mr President, I asked if the Council intended to introduce this ready reckoner system. It is a question and it does not apply to Greece, it applies to every country, not just Greece. Consumers in every country will face the same problem.

3-333
President. – I did not notice that question in your statement. In any event, the President now has the floor if she believes, following that clarification, that she can reply to the question very briefly.

3-334
Neyts-Uyttebroeck, *Council. – (FR)* I do not recall having read that question in the text of Mr Marinos's oral question. All that I know is that those ministers that are members of Ecofin, and especially those that belong to the euro group, decided to launch a very intensive campaign which is to be stepped up with effect from now, because they decided that if they had started during the summer there was a risk of the impact being lost during that period so that it would have been necessary to start all over again. A campaign is therefore to be launched. I also believe that it will be a two-level campaign, that is an EU-level campaign that will be backed up by campaigns run by the Member States and the various national governments. I am not sure if the pocket calculators are part of the campaign at euro group level. They form part of a number of national campaigns, but perhaps you should try to do something along these lines in your own country if they have not been provided for.

3-335
Rübig (PPE-DE). – *(DE)* Mr President, Madam President-in-Office of the Council, you yourselves are familiar with the hundred franc note in Belgium, which is worth about 2 euro. In Greece, there is the thousand drachma note, which is only worth 0.5 cents. In other words, we are quite used to having a largely paper-based currency, so my question is this: do you think it is likely that we will ultimately have one or two euro notes as well, given that the five euro note is currently the smallest denomination? In the southern countries in particular, notes are far more popular than coins.

3-336
Neyts-Uyttebroeck, *Council. – (FR)* All these issues were debated at length in the relevant committees of this Parliament, in plenary and by the Council responsible for this. The decisions have been taken, confirmed and confirmed again, and they will be implemented as agreed and in the form which this House has had an opportunity to consider and to give its opinion on.

3-337
Fatuzzo (PPE-DE). – *(IT)* Madam President-in-Office of the Council, usually, when I get back to Bergamo from Brussels, I arrive late in the evening and I go and have a pizza. In conversation, the pizza man, knowing that I was an MEP, said to me, 'Now that the euro is coming in, I'll put the price in euro and round it up so that it is higher than the current price in Italian lire.'

Would it not have been better to issue a regulation which stipulated that, when changing over, there should not be any rises in the price of goods compared with the price over the last three months, for instance, before the euro came into force?

3-338
Neyts-Uyttebroeck, *Council. – (FR)* My reply to Mr Fatuzzo is that, as far as I am aware, that is the case. And if certain persons in certain countries or certain regions do not respect these provisions, it is up to the appropriate price inspection and control agencies to take the necessary steps.

That is the situation in my country. I presume that is the case, and it should be the case, in all the countries changing over to the euro on 1 January 2001.

I could of course be cheeky, Mr Fatuzzo, and ask what your reply to your pizza seller was!

3-339
Fatuzzo (PPE-DE). – *(IT)* I told him I would ask the President-in-Office of the Council, mentioning what he had told me, and that then I would give him the answer.

3-340
President. – Mr Fatuzzo, you must wait until the President of Parliament gives you the floor.

Your statement has cheered us all up this evening.

3-341
President. – Question No 16 by Lennart Sacrédeus (H-0624/01):

> Subject: Legislation on 'sects' and its impact on respect for religious freedom in Europe
>
> One of the Member States, France, has a much criticised law on religion in which the term 'sect', as applied to smaller churches and religious groups, plays a key role.
>
> By leaving broad scope for the courts' free interpretation and discretion, the law has proved to be a blunt instrument and created legal uncertainty. The Catholic and Protestant Churches in France together with the European Commission of Human Rights have criticised the law as restricting very fundamental freedoms and rights such as religious freedom and freedom of association.
>
> In the light of the Nice Charter of Fundamental Rights, what is the Council's view of the French legislation, particularly in a situation where several applicant countries, the Czech Republic for example, are using this law as a model for drafting their own laws on religion? Are we not at risk of diminishing respect for the public's choice of life philosophy and religious faith, with greater intolerance as a result, if an increasing number of Member States adopt legislation which outlaws or actively oversees some forms of church and religious groups, and should not the good work and idealism which are characteristic of those organisations be held up as examples rather than banned?

3-342
Neyts-Uyttebroeck, *Council. – (NL)* I would reply to Mr Sacrédeus that the Council is not really qualified in any way to express an opinion on the question he has posed. I should, though, like to remind him of Declaration No 11 in the Final Document of Amsterdam, a declaration regarding the status of churches and non-confessional organisations. That declaration reads as follows: "The European Union respects and does not detract from the status enjoyed by churches and religious associations in accordance with the national law of the Member States. The European Union also respects the status of philosophical and non-confessional organisations."

3-343
Sacrédeus (PPE-DE). – *(SV)* I wish to thank the Belgian Presidency for its answer. The European Union is a union of common values. It is these which bind us together, not Mammon or money but the common culture and view of human life that unites us as Europeans. I am referring, in this case, to the French legislation and its disparaging concept, *sectaire*, for this is no edifying concept. I refer to the arbitrariness and lack of clarity in the term itself and to the fact that the legislation is not specific but says that when people are forced into positions of humiliation or exposed to repeated pressure or other techniques designed to alter their powers of judgment, the punishment may be one of up to five years in prison or a fine of FRF 5 million.

I wish to repeat that the Catholic Church and many churches in France are very sceptical about this legislation. Is this not an issue concerning human dignity and democracy?

3-344
President. – There has been no question but rather a statement.

3-345
- Question No 17 by Anna Karamanou (H-0626/01):

> Subject: Torture of people on grounds of sexual orientation
>
> Instances of torture and abusive treatment of people who develop relations with those of the same sex have increased sharply and matters are made worse by the widespread tolerance of such violations and the reluctance of the victims to have their identities revealed. The recent Amnesty International report describes the suffering of thousands of people who are tortured, abused, sexually assaulted and coerced into medical or psychiatric treatment. The report includes documented cases from some 30 countries, while in more than 70 countries, relations between people of the same sex are considered a criminal offence.
>
> What will the Council do to put an end to such occurrences in a democratic Europe which stresses the importance of respect for human diversity and sexual identity?

3-346
Neyts-Uyttebroeck, *Council. – (FR)* Mr President, ladies and gentlemen, Article 6(1) of the Treaty on European Union says that the Union is founded on the principles of liberty, democracy, respect for human rights and fundamental freedoms.

The second paragraph of the same article says the Union shall respect fundamental rights as guaranteed by the European Convention for the Protection of Human Rights and Fundamental Freedoms and, as they result from the constitutional traditions common to the Member States, as general principles of Community law.

In this respect, Article 3 of that European Convention says that "No one shall be subjected to torture or to inhuman or degrading treatment or punishment", whilst Article 14 of the Convention stipulates that the enjoyment of the rights and freedoms set forth in the Convention shall be secured without discrimination on any grounds, and in particular on the grounds of sex.

Article 13 of the Treaty establishing the European Union says that within the limits of the powers conferred by it upon the Community, the Council, acting unanimously on a proposal from the Commission and after consulting the European Parliament, may take appropriate action to combat any discrimination, particularly discrimination based on sex or sexual orientation. With a view to ensuring more vigorous and concerted action at national, regional and international level, in April of this year the European Union adopted guidelines for its policy towards third countries on torture and other cruel, inhuman or degrading punishments or treatment, thus confirming the central role of this issue in its human rights policy. These guidelines give the Union an instrument for intervening in cases involving torture and a means of stepping up its efforts to secure greater respect for international rules.

3-347
Karamanou (PSE). – *(EL)* I should like to thank the President-in-Office for her most satisfactory reply. We all know that the European Union is very sensitive about respect for human rights and that this sensitivity is expressed in the Treaties and in the European Convention on Human Rights.

However, Madam President-in-Office, anyone who reads the recent Amnesty International report on the torture suffered by thousands of people throughout the world because of their sexual orientation will feel that what we are doing in the European Union is not enough. The UN Commission on Human Rights recently took an initiative to encourage people to file charges if they are tortured or their human rights are violated because of their sexual identity. Are you perhaps planning to take a similar initiative at European Union level?

3-348
President. – We take note of your statement, which is not a question.

3-349
- As they deal with the same subject, Questions Nos 18 and 19 will be taken together.

Question No 18 by William Francis Newton Dunn (H-0628/01):

> Subject: Access by the public to Council documents
>
> On 30 May this year the Council, having enacted the legislation to open its documents to the public, set itself a deadline of six months, until 3 December 2001, to complete its preparatory measures. Now we have reached early September so we are halfway through the Council's self-given six-month period.
>
> Is the Council 'on schedule' with its preparations? If not, would it like any help from the Parliament, which has been open to the public for so many years already?

Question No 19 by Jonas Sjöstedt (H-0630/01):

> Subject: Increased openness
>
> The legislative act governing public access to EU documents was adopted in May 2001. The new rules are to enter into force within six months.
>
> Can the Council state what types of previously confidential or secret documents are now going to be accessible to members of the public under the new rules on openness?

3-350
Neyts-Uyttebroeck, *Council*. – *(NL)* As was said earlier with reference to oral question H-0545/01 of the honourable Member, Regulation (EC) No 1049/2001 of the European Parliament and the Council of 30 May 2001 relating to public access to documents of the European Parliament will come into force as of 3 December of this year. Until that date, requests from citizens for Council documents will be dealt with as previously on the basis of Decision 93/731/EC regarding public access to Council documents.

Each of the three institutions involved is at present taking measures to ensure that the new Regulation is actually applied from 3 December next. According to Article 15 of the Regulation, they are required to set up an interinstitutional committee, which will investigate the best practice, deal with any disputes and discuss future developments relating to public access to documents. As regards the Council, the competent services are at present holding discussions on the measures to be taken and on the timeframe for their introduction, in order to facilitate citizens' exercising of the rights that

they have now been assigned more clearly on the basis of the new Regulation. The necessary measures will be taken to be able to meet the deadline of 3 December.

As regards the various types of documents that may be consulted by the public, I can inform the honourable Member that at present, on the basis of Decision 93/731/EC of 20 December 1993 relating to public access to Council documents, all Council documents can be requested by the public. Depending on their content and in particularly in the light of the exceptional regulations – that is, Article 4 of the Decision – a decision is taken as to whether or not they can be released to the applicant, after a full case-by-case investigation.

However, Article 1, paragraph 1 of Decision 93/731/EC, amended by Council Decision 2000/527/EC of 14 August last year, stipulated that if a request for access relates to a document marked highly secret, secret or confidential in the sense of the decision of the Secretary-General of the Council of 27 July 2000, that in addition refers to the security and defence affairs of the Union or of one or more of its Member States or to military or non-military crisis management, the applicant shall be informed that the document concerned does not fall within the scope of Decision 93/731/EC.

I would draw your attention to the fact that this provision was not included in the previously mentioned Regulation (EC) No 1049/2001 that comes into effect on 3 December next.

However, Article 9 of the Regulation stipulates that requests for access to the sensitive documents described in it will be dealt with separately. For example, people may only deal with such requests where they themselves are authorised to take cognisance of these documents. Regulation (EC) No 1049/2001 is based on the same general principle as the Decision of 1993, namely that every document request is definitely looked at separately. Access can only be possibly denied in the light of the exceptional regulation provided for in Article 4.

In addition, the Council decided in its Decision of 9 April this year on the classification of certain categories of Council documents, to place a whole series of documents, especially documents that fall under legislative activities, directly in the public domain via the Internet. In this, the Council anticipated the coming into force of the Regulation as regards Article 12, paragraph 3.

3-351
Newton Dunn (ELDR). – Mr President, first of all I would like to congratulate the President-in-Office on getting through so many answers in this Question Time. You may have beaten the record. I do not know what the record is, but you have been very good. Secondly, I note your statement that this procedure will start on time on 3 December. Everyone in Parliament and the public is delighted to hear that and thank you for your very full reply. Can I just ask: is the next step to open up Council meetings to the public when you are legislating so we can see what you are doing? Then we would have real democracy in the Council. Will you do that next?

3-352
Neyts-Uyttebroeck, *Council*. – I am afraid that in order to do that we first need an IGC so you will have to wait for some time. But as you heard from my answer, there is a lot of progress and we will see. I will not quote the former Prime Minister of Belgium when I had the temerity to formulate this suggestion in my own national parliament but I can tell you in private afterwards. Things are progressing and going forward and now let us wait and hope.

3-353
Sjöstedt (GUE/NGL). – *(SV)* I too wish to thank the Council of Ministers for its comprehensive answer, but I should nonetheless like the Council to be more specific. Is it possible to provide some examples – *practical* examples – of documents which previously were secret but which will now be made public under the new rules? I am referring to certain types of document which you now hope it might be possible to make public. It is only when it is known which types of document are really to be made public that there can be talk of genuine success and increased openness.

3-354
Neyts-Uyttebroeck, *Council*. – I see that I have failed in my attempt to convince you that some progress has indeed been made. I suggest that early next year or during the course of December you again ask questions on this. We will probably be able to give you a more detailed answer then than we can now because the new rulings are not yet applicable. Progress has been made. I have tried to convince you of this.

3-355
Karamanou (PSE). – *(EL)* Mr President, I really must protest at the way in which you are directing this debate. You have written off all our supplementary questions as statements and you have not allowed the President-in-Office to reply. You did the same to Mr Marinos, to Mr Sacrédeus and to me. It seems to me that specific questions were asked and you should at least have allowed the President-in-Office to reply. If she had no reply to our questions, she could simply have told us she had no reply. It is the first time I have seen the President intervene as you did earlier and comment on our questions and positions as you have done.

3-356

President. – I thank you for your observation, I take good note of it; but the Rules of Procedure explicitly state that only supplementary questions may be asked, not statements. In any event, I will not prevent the President-in-Office from replying as she believes appropriate, although no question has been asked. She always has the opportunity. But you and the interpretation of Mr Marinos's intervention – at least the interpretation into various languages, because I have consulted it – did not include any question but rather a broad statement.

This presidency has violated neither the letter nor the spirit of Question Time, the aim of which is to ask specific questions and receive the most specific possible replies.

I invite you to read the Rules of Procedure relating to Question Time.

Although we are out of time, we are going to ask two questions to the President, so that you are aware: Questions Nos 20 and 21; the rest will be replied to in writing.

3-357
President. – Question No 20 by Bernd Posselt (H-0635/01):

> Subject: Elections in Kosovo
>
> What support is the Council giving for the holding of the first general elections in Kosovo, and what prospects for that region does it see?

3-358
Neyts-Uyttebroeck, *Council. – (FR)* The elections on 17 November will certainly be a key event for the future of Kosovo and will facilitate a greater level of direct participation by the population and by local political leaders in the operation of the provisional constitutional framework established by UNMIK.

Against this background, the Council considers it vital that these elections should take place in a proper manner in accordance with European norms and with the participation of the entire population, in particular the Serbian minority in Kosovo.

Nevertheless, the Council of the European Union is not playing any part in the direct preparations for these elections. This organisational task has in fact been given to the OSCE, to the Council of Europe and to the third pillar of the United Nations Mission in Kosovo, better known by the abbreviation UNMIK.

However, all the Member States are making an important contribution to the budget established for this purpose via the OSCE and the Council of Europe and they are also involved in preparing for observers to be sent, once again under the aegis of the OSCE and the Council of Europe.

3-359
Posselt (PPE-DE). – *(DE)* Mr President, firstly, I should like to ask whether the European Union is at least doing what it does everywhere else, namely working actively to fund the independent media, train politicians, support the democratic parties and promote institution building. In essence, this is what we are doing everywhere, and I would find it incomprehensible if this were not the case in Kosovo.

Secondly, I should like to ask whether the Council plans to initiate direct contacts with the newly elected politicians in Kosovo after the forthcoming elections, so that the moderate forces which I believe will win are genuinely able to achieve success and there is no renewed upsurge in support for the radical forces later on?

3-360
Neyts-Uyttebroeck, *Council. – (FR)* As regards the organisation of the elections, I think I have given you all the facts and information available to me. With regard to establishing a presence and maintaining frequent contacts with the authorities, leaders and personalities that play a role in Kosovo, you are well aware that that always has been and will remain the objective of the European Union.

On a personal note, I would like to say that it is perhaps advisable not to state a position before the elections which would make it all too clear who one wishes to emerge victorious in these elections. In fact I believe that we have had several bitter disappointments in this region of Europe and that we need to have faith in the democratic process in Kosovo, whilst following events there very closely, including those after the elections, which we all hope will be conducted in a proper manner.

3-361
Marinos (PPE-DE). – *(EL)* Mr President, I have my question written here and I shall send you a photocopy of the text and the translation so that you can see what I asked the Minister at a glance. I assure you that I would not wish anyone to think that I am arguing with you. I admire and respect you, especially when you are in the chair. I have repeatedly attended sessions during which you have chaired question time and I have no complaints. But may I add, just to prove that I did ask a question, that the Minister said that my supplementary question was not included in the text of my question.

So I should like, first, to say that I clearly asked a question and, secondly, to ask you, as President, if supplementary questions should be repeated by the person who asked the initial question or if they should supplement the first question in different words but – naturally – on the same subject? I should like you to clarify this point given that you are far more experienced in procedural matters than I.

3-362
President. – You are absolutely right, Mr Marinos. The supplementary question is not the same, as its name suggests. It is a supplementary question. What has happened is that we did not realise it was a question from the interpretation, but you have asked it, we have all understood very well and we thank you for your cooperation and assessment. Thank you very much.

3-363
President. – Question No 21 by Luis Berenguer Fuster (H-0637/01):

> Subject: Adoption of the regulation on designs and models
>
> When is the regulation on designs and models scheduled to be adopted?

3-364
Neyts-Uyttebroeck, *Council. – (NL)* There is unanimous agreement in the Council on virtually all aspects of the draft Regulation. Only one Gordian knot remains to be cut, and the presidency is organising bilateral contacts with some delegations with this in mind. On this basis, we hope that this last obstacle can soon be cleared. You will understand that I am unable to give further information on the subject at this delicate stage.

3-365
Berenguer Fuster (PSE). – *(ES)* Mr President, I shall speak in the form of a question, so that the presidency will not object, with good reason, as it always does.

Madam President-in-Office of the Council, the truth is that I do not understand the reasons why you do not clarify this point which is still outstanding, because I do not actually understand what that point may be.

At the time, in the regulation on designs and models, when it came to the directive, certain points were controversial, for example the reparation clause, but once, with the very direct participation of the European Parliament, the Commission and the Council, a compromise was reached on that clause, which has been reflected in the Commission's proposal and accepted as such by the European Parliament I do not understand what the controversial point can be.

Neither do I understand, as has been said, why there may be other controversial points which, at the time, delayed the approval of the Regulation on markings, such as those relating to language, procedure or the location of the office for the harmonisation of the internal market, because that was resolved with the Regulation on markings. And now, as regards this proposed regulation on design, the procedure rules, the procedure languages and the competence of the office for harmonisation of the internal markets are issues which have already been resolved.

I therefore do not understand what that point is and, despite your invitation, I would be grateful if you could clarify it.

3-366
Neyts-Uyttebroeck, *Council. – (FR)* I can only repeat what I have just said. It is not always necessary to understand or share the argument underpinning the reservations that a Member State may have on a particular point to realise that these reservations have nevertheless been expressed, that they have been maintained and that it is difficult to withdraw them. The presidency will do what it can by the end of this year to have them lifted. That is all I can say about the situation at this stage.

3-367
President. – Thank you very much, Madam President-in-Office. That reply ends this debate.

Since the time allotted to Questions to the Council has elapsed, Questions Nos 22 to 36 will be replied to in writing.[2]

That concludes Questions to the Council.

(The sitting was suspended at 7.13 p.m. and resumed at 9.00 p.m.)

3-369

IN THE CHAIR: MR VIDAL-QUADRAS ROCA
Vice-President

3-370

[2] See Annex *"Question Time"*.

Statement by the President

3-371
President. – Pursuant to Rule 74 of the Rules of Procedure, the presidency must make the following announcement:

The Council has delivered the following joint positions, which will appear in today's Minutes, as well as the reasons for adopting them. The period of three months available to Parliament to give its opinion will begin from tomorrow 6 September 2001.[3]

3-372

Data protection in electronic communications (continuation)

3-373
President. – The next item is the joint debate on the following reports:

- A5-0270/2001, by Mr Cappato, on behalf of the Committee on Citizens' Freedoms and Rights, Justice and Home Affairs, on the proposal for a European Parliament and Council directive concerning the processing of personal data and the protection of privacy in the electronic communications sector [COM(2000) 385 – C5-0439/2000 – 2000/0189(COD)]

- A5-0284/2001, by Mrs Cederschiöld, on behalf of the Committee on Citizens' Freedoms and Rights, Justice and Home Affairs, on the strategy for creating a safer information society by improving the security of information infrastructures and combating computer-related crime

3-374
von Boetticher (PPE-DE). – *(DE)* Mr President, ladies and gentlemen, I do not want to address all the issues raised in the Commission's proposal for a directive on data protection in electronic communications. Most of the proposals are well-founded and necessary, and have our support. This also applies to the work of the rapporteur, Mr Cappato, whom I would like to congratulate on his work.

There is one highly controversial issue, however. What is our position on direct advertising by e-mail? At present, there are four Member States in Europe which have opt-in systems, which means that commercial e-mails are banned if they are unsolicited, and are permitted only with the prior consent of the recipient. Most other Member States have an opt-out solution, with individuals having to register on Robinson lists if they do not wish to receive commercial e-mails.

We therefore have two options: Amendments Nos 42, 43 and 44 proposed by the Committee and the rapporteur call for an opt-out solution as a minimum standard, supplemented by Amendment No 61, which provides for review after three years. Countries which have an existing opt-in system can continue with this as an "add-on" to the minimum standard.

Amendments Nos 53, 60 and 62 call for an immediate introduction of the opt-in system which would then be compulsory for all Member States. There are good arguments for both opt-in and opt-out and we will hear many more of them in this debate, undoubtedly presented with passion. I confess that I tend to favour an opt-in solution. Nonetheless, there is a serious decision before us today, and that is whether to adopt option 1, i.e. opt-out as the minimum standard, thus maintaining the status quo in the Member States.

Why do we have this situation? Firstly, we chose the opt-out solution as a minimum standard in the *e*-Commerce Directive a year ago, although this will also be reviewed in three years. It would be absurd, incoherent and contradictory to adopt a conclusive solution in this directive, whether it be opt-in or opt-out, just a year later.

Secondly, no one can predict the precise course of events. No one can say with certainty what the advantages and disadvantages of the two options will be in the next two years. Trade practices, citizens' information requirements, but also their security needs are undergoing rapid change. It is quite impossible to predict how the commercial sector will respond to the new opportunities afforded by direct advertising by e-mail. It may be tempting to make comparisons with conventional mailshots, but this is inappropriate. Let us remain faithful to our original approach, without drawing any hasty conclusions, and wait for the outcomes of this House's wise decision – which was adopted with an overwhelming majority – on the *e*-Commerce Directive: opt-out as a minimum standard, and the option of opt-in for Member States, with monitoring of the two approaches.

(Applause)

3-375

[3] *Communication of joint positions by the Council: see Minutes*

Paciotti (PSE). – *(IT)* Mr President, the Commission communication on the safe Information Society complements the preceding initiatives, in particular the global plan of action for electronic communications in Europe, and will require further interventions in a field that is constantly evolving.

The Cederschiöld report approves of this initiative and enhances it with appropriate legislative measures and suggestions for cooperation instruments to increase the effectiveness of the fight against cybercrime and to ensure a balance between demands for the prevention and punishment of crime and respect for civil liberties. This balance, which is guaranteed in the Charter of Fundamental Rights, must always guide the actions of the European Union, and for this reason, too, the broad and accurate Cederschiöld report deserves our full agreement.

The Commission's draft directive also deserves great appreciation; it aims to update personal data protection in the electronic communications sector and not to leave things as they are, since harmonisation is necessary.

On the one hand, the Cappato report proposes useful additions to the directive which reinforce the limits placed on the invasion of privacy by public authorities, especially as regards forms of generalised electronic surveillance, which was discussed this morning. In this it will certainly be supported, even though, unfortunately, our legislative powers do not exist in this area. In other respects, however, the Cappato report reduces the protection of citizens' privacy offered by the draft directive, particularly where we have legislative competence.

The Commission proposes that European citizens' e-mail addresses and mobile telephone data could be included in public lists and given out on-line only if the interested parties had given their prior consent. The Cappato report, on the other hand, proposes that e-mail addresses and mobile telephone data should be included on public lists and each interested party could ask to have them taken off.

An analogous difference, we have already heard, concerns the regulation of unsolicited communications for direct marketing purposes. The European Commission proposes that messages should not be sent except to those who have given their own express consent, just as now happens with faxes. The Cappato report proposes that the opt-out system could also be adopted.

If you consider the speed at which a list of e-mail addresses could be circulated on-line and come to the attention of an unlimited number of people interested in sending unsolicited messages, and if you consider the cost in time and money of eliminating these unwelcome messages and sending requests to the various senders to stop forwarding them, you will have an idea of the burden on citizens of adopting the opt-out system. It is a prospect that runs the risk of discouraging and deterring people from using the net and e-commerce.

In an amusing article, an Italian journalist wrote: 'I thought I had bought a little telephone, but found myself with a *tamagochi*, that Japanese toy that needs looking after like a baby. My phone company never leaves me alone; it sends me so many messages, like a teenager; it asks me if I want to take part in a competition, if I know about certain new discounts; it greets me when I go abroad, and then it welcomes me back.'

Just think when your mobile number and e-mail address are known not only by your own service provider but by all possible service providers in the world, who never confine themselves to selling goods but want their brand to please you, to seduce you and to belong to you.

If we want e-commerce to have a future, we cannot force consumers to spend their time cancelling unwanted messages or pursuing their senders to beg to be left in peace. There is no reason not to ensure the same protection for e-mail as there is for faxes; the highest level of protection of people's rights will also ensure the highest consumer loyalty.

3-376
Plooij-van Gorsel (ELDR). – *(NL)* Mr President, ladies and gentlemen, Commissioner, freedom of expression and freedom of choice are a precious right for liberals, but not at any price. The receipt of e-mail is considerably less free of strings for the receiver than the receipt of paper leaflets and brochures. The costs may total EUR 10 billion annually for receivers, not to mention the cost in time. We therefore need, just as with paper leaflets, "No thank you" stickers. Personally, I would gladly opt for self-regulation by industry, but in practice it is clear that "opt-out" is not sustainable. For this reason, the Liberal group will support the Commission's proposal for "opt-in". Meanwhile there is a bill before the US congress for an "opt-in" that paves the way for sound agreements worldwide, which is necessary in an age of unlimited communication.

Unwanted post will not be limited to the Internet. The mobile telephone sector will play an increasing role in the period ahead, so that companies and consumers will be saddled with high costs, while the infrastructure becomes very vulnerable.

My second remark concerns the storage of traffic data. I refer to the ECHELON debate of this morning. In my view it is an invasion of privacy if traffic data are stored for longer than necessary. As a result consumers will never gain the necessary

trust in e-commerce. In conclusion, the rules within the Union should be harmonised. After all, our telecom companies work in a pan-European way and therefore need uniform rules so that legal uncertainty is ruled out. For this reason, subsidiarity in this field is not an option.

3-377
Buitenweg (Verts/ALE). – *(NL)* Mr President, the right of freedom of expression entitles companies to display their wares on the Internet. But that does not mean that they can force people to read what is there. I regularly receive unwanted advertising on my e-mail. I have often had to struggle through English language forms in order to fill in at the very end that I wish to be removed from the mailing list. Still, I am regularly unsuccessful. An "opt-out" arrangement is bad for the consumer. The latter is dependent on the goodwill of the company in actually deleting his or her name. Deletion itself is time consuming and at the consumer's expense.

It is often claimed that good companies only mail in a targeted way. But first of all, in that case, supporters of the system are already assuming that there are a substantial number of bad companies that make a mess of things, and secondly, it may be well targeted from a marketing point of view if I receive information about baby clothes, but I do not want to download romper suits or nappies to my screen at my own expense. Well targeted from a marketing point of view does not necessarily mean either welcome or limited. If unsolicited advertising eventually really does take off, I foresee a situation where many people will turn away from the open Internet and e-mail. In that case freedom of expression will have suffered a great setback.

3-378
Crowley (UEN). – Mr President, I should like to join in congratulating the rapporteurs on their work. Obviously the whole area of new technologies is one that has presented us with many problems as well as boundless opportunities. Unfortunately, however, as with most new opportunities, these have been hijacked to a huge extent by people of criminal intent who use them for illicit means. Therefore the onus is on us to ensure that we can put in place proper controls and measures, not with regard to access, but ensuring that parents can make certain their children will not be endangered by these new technologies and also that there is cooperation amongst the law enforcement agencies across the Member States. I welcome the fact that in the reports there is a role for Europol and Eurojust as well as between the Member States. I also welcome the establishment of the forum on cybercrime. This is an important area where we can bring all the actors together, including the manufacturers of equipment who can put in place certain things that can help us.

Finally, it is a forward looking plan when we look at cooperation with the United States of America and other countries throughout the world, to ensure that this new technology can be used for the benefit of all of mankind and not for those who want to avoid our legal structures.

3-379
Van Velzen (PPE-DE). – *(NL)* Mr President, Commissioner, ladies and gentlemen, in the first place I should like to congratulate the rapporteur on his report, but on behalf of Mr Westendorp, the Chairman of the Committee on Industry, External Trade, Research and Energy, I must lodge a serious objection to the procedure followed. It had been agreed that use would be made of a strengthened Hughes procedure, but little has come of that. I will not go into detail. The Committee on Industry, External Trade, Research and Energy has not wanted to hold up this debate because of the urgency, but we nevertheless wish to make a serious protest.

We are ultimately concerned here with two important political questions. In the first place whether we choose "opt-in" or "opt-out" or a mixed system for a certain amount of time. The second question concerns the nature and storage of traffic data. I myself am a supporter of "opt-in" and would like to mention a few arguments. Mrs Plooij has already pointed to the study by the European Commission which shows that European citizens alone spend some ten billion on junk e-mail.

I consider it a much more important point that public support for the knowledge society is waning. People are already sick of the fact that, for every two e-mails you are happy to receive because of whom they come from, there are 74 others that you do not want at all. Then you must actually pay for them. Mr President, that causes immense irritation, which in the United States has led to the new term 'permission-based marketing'. One is asked in advance if one wants something. This is a form of self-regulation that we in Europe must also move towards. We are still lagging behind and we must establish a semblance of order. For that reason, Mrs De Palacio's amendment is apposite, although it talks of 2006. It is true that in 2006 we can indeed move towards self-regulation, but we need "opt-in" for now.

Mr President, my third objection is that almost everyone talks about e-mails and, fortunately, a number of fellow MEPs have spoken on this issue. Just imagine, we now receive all kinds of welcome messages when we cross the French or Luxembourg frontier. We do not know what is behind them, because we do not have the impression that there is any further message behind them. So we have to call an end to this and that costs money. Imagine getting a message every two minutes in this Chamber from well-intentioned medium-sized and small companies about a new product. Who is going to foot the bill, Mr President? That is the question before us and we must give it further consideration.

The fourth, reason, Mr President, why I am in favour is that the majority of states – they no longer number four but actually seven – have chosen the "opt-in" system. Mr President, this concerns a fundamental question and I am requesting the Commission to give an answer. Why are two systems acceptable in e-commerce and not here? Have I understood correctly that the fundamental reason is that in the case of e-commerce, the harmonising articles were sidelined, not included and hence placed in parentheses? The core of this directive is that it deals expressly with harmonisation.

The second problem is, of course, what happens in practice if one Member State chooses "opt-in" and the other "opt-out", since e-mails make no distinction between borders. I believe that the Commission will have to say something about both the costs and the question whether the two judicial systems can exist alongside one other.

My last comment concerns the possibilities of tracing. Of course we do not see the providers as tracing services and for that reason the restriction of the nature of traffic data and the term for storing traffic data are of essential importance. Therefore it is possible with the amendments in this field to prevent citizens from feeling that via e-mail and via our mobile phones a disguised ECHELON system is again being introduced.

3-380
Cappato (TDI), *rapporteur*. – *(IT)* Mr President, with regard to the procedure followed in the approval of my report, Mr Van Velzen has made reference to a possible violation of procedure. I ask the presidency to clarify this point for tomorrow's debate, because I do not want there to be this ambiguity. If the procedure has been violated, the work in violation of the procedure should be cancelled; if the procedure has been respected, it has been respected. I believe this is the least we owe to the House.

Personally, as rapporteur of the committee with competence in the matter, I have never been consulted by any of the other committees; had it been an 'enhanced Hughes procedure' – which it is not – I would have had to be consulted. However it may be – I am not an expert on procedure – and I ask that a check be made as to whether the procedures were violated. Results in violation of the procedures should be cancelled.

3-381
President. – Mr Cappato, the presidency takes note of what you have just said.

3-382
Thors (ELDR). – *(SV)* Commissioner, ladies and gentlemen, first of all, I want to thank Mrs Cederschiöld and Mr Cappato for the sound work they have done. I am in no doubt that the forum supported by the Commission and Mrs Cederschiöld will highlight new issues and new problems. Moreover, the political front lines will probably not be the usual ones. This was also abundantly clear in today's debate on electronic communications.

I want to point out that the Group of the European Liberal, Democrat and Reform Party does not support Amendment No 55, for I think that the Committee's proposal is clearer on the issue of storing communications data. A minority of the ELDR Group believes that we should wait and see how these systems work and that we should apply the principle of subsidiarity. We support Amendment No 61 concerning the supervision clause. Our approach is characterised by humility, for we do not believe that any of these proposals is the decisive factor. Rather, it is enlightened citizens who decide.

I believe that many of those who will be making decisions in the House tomorrow are really not aware that the issue of *spamming* is, in large part, also regulated through the general data protection directive. We have a situation, for example in Great Britain, in which 44 per cent of all e-traders do not know that they are contravening this directive. Moreover, people do not know what service they can obtain. I believe that responsible and aware behaviour on the part of consumers is the most important thing of all.

I come from a country in which we have an opt-in arrangement, but we still cannot do anything regarding, for example, people who make use of changed addresses. We are constantly seeing different forms of *spamming*. I wonder if we shall begin to be required to have some form of register of addresses in the future.

I want to ask the Commission whether it has considered addressing the issue in the transatlantic or global dialogue. What truth is there in what is said about America's attitude? We have received different information about this. Many say that the Bush administration does not yet intend to do anything, that it is too soon and that there is a wish to monitor technical developments. I also wonder which rules apply if a European company *spams* outside the EU. Is it the e-commerce directive or this directive which applies in that case?

3-383
Harbour (PPE-DE). – Mr President, I would like to focus my remarks this evening on Mrs Cederschiöld's report. That is why I am here, having shadowed it in the Committee on Industry, External Trade, Research and Energy. I would like to commend Mrs Cederschiöld on the way that she has incorporated so many of the opinions of different committees into a very comprehensive report and also to congratulate the Commission on this initiative. I feel this is a very worthwhile and challenging document.

One of the problems with the report is that it contains a huge amount of material and potential actions and priorities will therefore have to be set. So this evening I should just like to address what I believe is a crucial problem that needs to be looked at in the short term: the whole question of how we encourage the development of electronic commerce to use these tools, to address the sort of business issues that some colleagues are already trying to frustrate, in my view, by moving prematurely to the sort of rigid opt-in arrangement that they are talking about.

The e-commerce market is at a very early stage and is still underdeveloped. We do not want to choke it off by some of the things that we are talking about. But we do need to address the security issues.

A very important report produced by the British business association, the CBI, last week clearly showed that both businesses and consumers are discouraged from moving into the electronic commerce market place because of concerns about security. Businesses, particularly small and medium-sized businesses, are worried about the vulnerability of their enterprises to fraud and fraudulent transactions. I suggest to you that one of the things that we must work on is to ensure that small and medium sized enterprises get the benefits of this revolution.

Consumers are worried about getting involved in transactions because they are worried about the security of their payments. Those are the critical issues we have to tackle. We have to combine that with a regime that allows SMEs to use e-commerce in a targeted and effective way. So I will combine my remarks on both reports by saying that I believe we are taking the right course with Mrs Cederschiöld and the right course with Mr Cappato.

3-384
Coelho (PPE-DE). – *(PT)* Mr President, the new information and communication technologies have a fundamental impact on the daily lives of our citizens and on the very economy of our societies. It is, therefore, becoming crucial to ensure that there is rigorous protection against potential abuses or even criminal acts. We talk of cybercrime, both in terms of fundamental rights and privacy and also in the context of services of general interest, bank transfers, investments, credit card fraud amongst others.

Mrs Cederschiöld is therefore right to call for a coherent European strategy which, on the one hand, ensures the freedom of the market and improves the security of information services and infrastructures and, on the other, fights against criminal activities that affect not only the interests of individual citizens but also public interest itself.

We are also discussing the report by Mr Cappato, whom I should like to congratulate on his work on the processing of personal data and the protection of privacy in the telecommunications sector. This is a report that warranted a lengthy debate and which seeks to find a balance between the protection of private life, the legal aspects and the interests of industry. Apart from the issues concerning intervention by Member States when carrying out criminal investigations, the main issue concerns *spamming*.

I agree with the position put forward by Mr von Boetticher on behalf of the PPE-DE Group, but I must also add my own personal view: in terms of protecting the interests of consumers, I incline more towards the Commission's proposal than to that tabled by Mr Cappato, more towards the opt-in solution than towards opting out. The question is whether it is effective, especially if it is only adopted by the European Union. This is an issue that concerns the Union's relationship with its partners, something that has already been mentioned in this debate. I am sure that none of us wishes to see an e-mail system becoming increasingly unusable because it is swamped and blocked up by countless messages of this type, unsolicited and often of dubious taste.

3-385
Rübig (PPE-DE). – *(DE)* Mr President, ladies and gentlemen, today we are talking about e-mails, *spamming* and a wide range of other subjects. I think that we should distinguish between three main areas, i.e. *from business to business, from business to customer* and *from customer to customer*. Then we should start thinking about principles. I do not believe that a separate solution is necessarily required for each type of technical communication. We are all familiar with the idea that you can attach a sticker to a mailbox. We have all learned to use the telephone, mobiles, sms, and e-mail. I think that the real challenge now is to think about how we want to use this technology and this range of information and advertising opportunities in future.

Of course, it is important to take values into account here. I know people who say: I want to receive as much information as possible in a wide range of areas. I want to be able to decide for myself what I keep and what I throw away. There are others who say: I only want to receive the information which I have requested myself. We are also familiar with this concept with regard to debt payable to, and debt collectible by, the creditor. I think we should discuss this point in detail as well.

As regards *cyber war* and cybercrime, we should focus on three main points. We should step up research and development in this area, especially in Ispra near Milan. I think there is a great deal of work to be done in this area, especially as regards security in the Commission and the Parliament. We should think about the type of education and training we can offer in this field, e.g. at colleges of higher education and through university departments. I think that action is needed here. We

must also think about the type of security infrastructure which should be available in the hardware and software fields in future.

Finally, I should like to say that a separation of powers is also important. The prosecution services, the courts and the operators must work together to ensure that these systems are not abused.

3-386
Liikanen, *Commission*. – Mr President, I would like to thank Mr Cappato and also Mrs Thors, Mr Bakopoulos and Mrs Schröder of the various contributing committees of the European Parliament for this report. I will start with the Cappato report.

I am pleased that Parliament is now debating this important directive which forms an essential element of the electronic communications regulatory reform package. This will enable us to try and minimise the procedural delay which the data protection directive has incurred, as compared with the rest of the package.

I would also like to concentrate on two issues which have been discussed by so many. First, opt-in for unsolicited commercial e-mails and the question of traffic data retention for law enforcement purposes.

It appears from the debate that the proposed opt-in for unsolicited commercial e-mails divides opinions in this House. This is understandable, since this is a complex issue and arguments on both sides of the debate have some merit. However, I am convinced that the Commission proposal for opt-in is best, for essentially two reasons. First, the internal market needs a harmonised solution, a simple and clear rule throughout the EU. It is particularly important in an economic sector which is so profoundly without frontiers as electronic commerce over the Internet is.

Mr van Velzen asked me a question about the applicability of subsidiarity in this field. I want to be crystal clear. It is legally impossible for opt-in countries to enforce their system with regard to mail coming from opt-out countries. These two systems cannot exist because the opt-out regime will override any opt-in systems. We can discuss subsidiarity but in practice it cannot work with the two systems. The opt-out system, especially, will override the opt-in system.

The second reason is the cost issue which has been mentioned by many. It is very difficult to justify that the recipients of unsolicited commercial e-mail will have to pay for messages which they do not want to receive. Receiving paper advertising material in your traditional mail box is annoying, but at least you do not pay for it. You do not pay for the printing, you do not pay for the transport. E-mail marketing may well be the only form of marketing where the recipient carries most of the cost. In addition, removing unsolicited e-mails from mail servers entails a substantial cost for Internet service providers. For that reason, Internet service providers strongly favour opt-in solutions.

Finally, we must remember that the Internet is going mobile. This is starting now with SMS messages. But this legislation will concern all e-mails which will go in future to mobile terminals. That will be more disruptive than receiving such messages on your PC. Imagine the mobile device in your pocket beeping all the time to announce the arrival of yet another commercial offer you cannot refuse and you want to keep your mobile phone on because you want to be connected with the people close to you. Moreover, messages to mobile terminals may also entail an even bigger cost, if the subscriber is roaming like most of us gathered here tonight. We are roaming practically all the time. With the advent of the Mobile Internet, the costs and nuisance of unsolicited communications will therefore increase significantly.

Mrs Thors raised two questions. Firstly the situation in the United States. I had the privilege to participate in many discussions with the Members of the Senate and the US Congress in this field. Today, there are about 60 proposals in Congress on that issue. In general, it is agreed that the present opt-out system has a lot of problems, but the solutions vary. There are some who go for opt-in solutions, there are others who present different schemes to make strict rules such as that there should be a penalty for a company that does not take your name away as soon as you ask. I cannot say that there is one simple solution, there is criticism of the present opt-out practice. There are powerful Members of Senate and the Congress who advocate opt-in solutions. You will be able to contact these people especially when the Internet caucus of Congress visits Europe in the next few weeks.

As far as the applicability of an opt-in regime outside Europe is concerned, the GATT agreement allows its members to take measures to enforce their data protection legislation within their territory. On this basis, the EU can require non-EU based companies to comply with its opt-in legislation. Mr Coelho asked whether it is difficult to control. In this kind of world it is very difficult to draft legislation which is 100% waterproof. But I am sure that opt-out will be much more difficult to control than opt-in. There is no harmonised system. There are hundreds of thousands of databases, practices, private operations and if anybody is optimistic I invite you to try. You could, for example, start by sending a letter to all those companies whose material you no longer wish to receive and then check how many will remove your name during the following days and how many respond to your request. It is something anybody can try. I have done it myself. I am not optimistic.

The opt-in regime is one uniform legal solution. We have difficulties there but I am sure that they are less than with the present opt-out regime. For these reasons the Commission cannot accept Amendments Nos 19, 41 and 42. However, knowing how difficult this issue is, and how divided opinions have been in this House, we should also look for compromise solutions and I want to be open and constructive on this issue. We therefore welcome the constructive compromise amendments 53 and 62 which have been presented. The Commission is willing to look for solutions along the lines of these amendments, but subject to some redrafting and streamlining within the existing legal framework.

The second important issue I would like to mention is general traffic retention for law enforcement purposes. On this one, I have the impression that the Commission and the European Parliament are on the same line. The existing telecommunications data protection directive states that traffic data must be erased when they are no longer needed for the provision of the service and for billing. In addition, there is a clause referring to the reasons for which Member States may adopt specific legal measures in derogation of this principle in exceptional cases. These reasons include, inter alia, national security, defence, and the investigation and prosecution of crimes. We discussed these issues earlier today in this House. Since the rights protected in this existing and proposed directive are based on Article 8 of the European Convention on Human Rights – under the protection of privacy of home, family life and correspondence – any exception must remain within the rules established by the European Court of Human Rights in Strasbourg.

As we discussed this morning during the Echelon debate, it is important that the rules for both citizens and for the State are very clear and precise regarding the rights and obligations in this sensitive area. Therefore, the Commission can support Amendment No 4 which strengthens the recital text on this point. However, the Commission is not in favour of copying the same text into Article 15, as proposed by Amendment 50, as it may overstep the legal basis of the directive.

In summary, out of the 62 amendments submitted to plenary, 35 can be fully supported by the Commission. These are Amendments Nos 1 to 4, 7 to 10, 12, 14, 15, 17, 18, 21 to 29, 31 to 35, 37, 39, 45, 49, 51, 52, 56 and 57.

Another seven amendments which can be supported in part or in principle subject to certain drafting changes are 5, 46 to 48, 53, 60 and 62. I mentioned two of these earlier.

But there are 20 amendments which the Commission cannot support: 6, 11, 13, 16, 19, 20, 30, 36, 38, 40 to 44, 50, 54, 55, 58 and 59.

As regards the Cederschiöld report, I would like to thank the honourable Members of the European Parliament for the constructive approach to the Commission communication on cybercrime and cybersecurity. I would particularly like to thank the rapporteur, Mrs Cederschiöld, and also Mrs McCarthy and Mrs Zorba, the draftspersons of the contributing committees. The report identifies key issues for further consideration.

Many of the recommendations in the report are in line with the current view of the Commission on policy development to combat cybercrime and improve security.

There is one recommendation, however, of which I have to say that it is not acceptable to the Commission, that is Recommendation No 5 concerning the transfer of responsibilities for data protection within the Commission and to concentrating responsibility for certain other tasks in single units. This is a matter of internal organisation of the Commission which should be left entirely to the discretion of the President of the Commission.

Concerning the other recommendations, in as far as they are not already parts of plans for policy development, the Commission will give them full consideration, and will see how far they can be incorporated in upcoming or new initiatives.

As you know, this communication was issued in January this year. It has been sponsored jointly by Commissioner Vitorino and myself. This has been the first comprehensive policy statement of the European Commission on the issue of cybercrime.

In March, the Commission organised a public hearing. Over 400 people came to Brussels to attend this event, which shows the strong interest of the public in participating in this discussion. Next the Commission will shortly issue a proposal for a framework decision on combating serious attacks against information systems. This initiative addresses acts like hacking, denial-of-service attacks, and the spread of viruses.

In June, the Commission issued a communication on network and information security, which I presented this morning in this House in detail. This communication deals with preventive organisational and technical measures, and is complementary to the framework decision, which deals with ex-post criminal investigations.

At the technical level, as part of the Information Society Technologies Programme, the Commission is promoting research and development to understand and reduce vulnerabilities and stimulate the dissemination of know-how. IST projects focus in particular on the development of confidence-building technologies.

The first legislative initiative announced in the communication has already been issued: a proposal for a framework decision that includes measures to combat child pornography. I fully share the strong opinions expressed on this issue in this House tonight.

The communication has announced a forum in which the relevant parties will have the opportunity to discuss various issues to find an appropriate balance between network security, law enforcement powers, privacy protection and economic priority. An open debate is vital to achieve an effective, coherent and balanced policy approach and to assure confidence and trust among European citizens. Confidence and trust of the users is directly related to the take-up of electronic commerce and to the success of the Information Society.

The report of the European Parliament is an important milestone in this policy debate.

3-387
van Velzen (PPE-DE). – Mr President, the Commissioner made clear why, in his opinion, an opt-in and an opt-out system cannot operate in parallel in this directive. But I have to ask him another question. It is of vital importance for my group to know why it is possible in the electronic commerce directive. Perhaps the Commissioner can give us an answer to that.

3-388
Liikanen, *Commission*. – The reason was that the electronic commerce directive excluded all issues relating to data protection. That was the reason they were dealt with in a different context in the data protection directive and in this directive.

3-389
President. – Thank you very much, Commissioner.

The debate is closed.

The vote will take place tomorrow at 12 noon.

3-390

Implementation of competition rules

3-391
President. – The next item is the debate on the report (A5-0229/2001) by Mr Evans, on behalf of the Committee on Economic and Monetary Affairs, on the implementation of rules on competition.

3-392
Evans, Jonathan (PPE-DE), *rapporteur*. – Mr President, of all the issues debated this week there is none that can have a greater impact on the economic wealth of Europe than the reform of competition policy. Fair and open competition is the bedrock on which the single European market is built and on which the growth of European economies depends. That is why we must maintain our determination to root out monopolists and those who engage in shady anti-competitive price fixing or market sharing deals. These actions not only undermine the interests of commercial competitors, they rip off consumers and undermine the dynamic competitive economy on which our future economic interests rely.

But we must also recognise that Commissioner Monti's weapons for tackling such abuses are sadly out of date. The Commission's White Paper on competition policy reform highlighted the difficulties. The 40 year old procedure under Regulation 17 had become a bureaucratic paper-pushing exercise. The Commission wants radical change, devolving the application of EU competition law to national authorities in order to refocus its efforts in rooting out cartels and the abuse of market power.

Parliament agreed with these objectives. But we strongly spelt out our concern on important issues like the need for legal certainty. We also pointed to the possible danger of the reform leading to inconsistent application or even the renationalisation of competition policy, thereby destroying the single market.

These were real concerns voiced by many Members of the House as well as significant sectors of the business community throughout Europe. I recognised and shared those worries and some colleagues and representatives of European business still share them today. Nevertheless I believe that Commissioner Monti has genuinely taken account of our concerns and the Commission's proposal reflects this.

Above all I want to draw attention to Article 3 of the regulation, which unambiguously states that in cases affecting trade between Member States it is European competition law that takes precedence. This is a core requirement of the single market and strongly supported by all sides in our committee debates.

For us, the preservation of Article 3 is an essential part of this reform. We recognise that there may well be some Member States that will try to dilute its impact. We consider that Article 3 is such a central element of the reform that we will wish to be consulted again if the Council obliges the Commission to make any significant change to this article.

We have proposed a number of amendments in order to improve the operation of this radical reform. We found, for instance, little support outside the Bundeskartellamt for the new registration scheme under Article 4, which we consider to be time-wasting and valueless. We want it scrapped.

We have proposed a range of amendments to improve legal certainty for business, including the widening of Article 10 – changes which have received widespread business support. We have urged proper safeguards on Commission powers in relation to the application of structural remedies. We have suggested that penalties imposed under EU law by national authorities should be those provided for in EU law. We have also proposed changes in the transitional arrangements and in undertaking a timely review.

We have also wrestled with the issue of the appropriate treatment of communications from in-house legal advisers. I am deeply indebted to my colleague, Mr Rovsing, for the attention that he has given to this issue. There are different rules in operation in different parts of the European Union. We have tried to ensure that the professional status of in-house lawyers is acknowledged, whilst not impeding the Commission in the thorough investigation of possible infringements.

In the committee vote I indicated that this situation could possibly be resolved by a Commission declaration clarifying the treatment of such evidence in the application of Commission penalties. Mr Rovsing and I now understand that Commissioner Monti may have it in mind to make some such declaration, in which event our group will no longer consider it appropriate to retain Amendment No 10.

This debate has also highlighted other important but wider issues of competition policy reform. We welcome the dynamism which Commissioner Monti has brought to his brief. "Supermario", as he has been labelled in the media, has taken the lead and not only in pressing for radical reform in Europe. He has been at the centre of moves towards the worldwide coordination of competition policy and enforcement.

We are sure that in an increasingly global economy such radical reform will be necessary. But we also believe in checks and balances and we want the Commission's actions to be fully reviewable by the Court of Justice.

Our committee thanks Commissioner Monti for his commitment to real and meaningful dialogue. But we reiterate our objective of Parliament moving towards full codecision in respect of these matters.

The interest of my parliamentary colleagues in competition policy issues is not just some academic exercise for commercial lawyers. In an increasingly global world we recognise that effective competition is the essential motor for the growth of European economies and the welfare of the people we have been sent here to represent depends on fair and open competition in order to drive that growth forward.

3-393
Wieland (PPE-DE), *representing the draftsman of the opinion of the Committee on Legal Affairs and the Internal Market.* – *(DE)* Mr President, ladies and gentlemen, I am in a similar position to Mr von Boetticher in the previous debate. I do not want to go into details on behalf of the Committee on Legal Affairs and the Internal Market. We think that Mr Evans has produced a good, well-rounded report, and congratulate him on doing so. The amendments proposed by the Committee on Legal Affairs and the Internal Market and adopted by the committee responsible are intended to enhance the rapporteur's report. Let me give you an example. The Committee on Legal Affairs and the Internal Market has called for the new text to state that decisions must be made public, not 'may be published', as the old text might imply, although confidential information is obviously excluded.

However, I would like to draw attention to one point which the rapporteur has also just mentioned, and highlight it to the Commissioner and the qualified minority of expert colleagues who are still assembled here. I am referring to Amendment No 10 proposed by the committee responsible.

Many Member States provide for confidentiality, i.e. legal privilege, between client and counsel. This is part of established legal reality in the majority of Member States. Whenever an individual wants to bare his soul completely, he needs a confidant; this may be a doctor, a solicitor or, in a religious situation, a priest.

Amendment No 10 safeguards this traditional relationship between legal counsel and client and extends it to in-house lawyers as well. The Commissioner may assure us that disclosures from the documents held by such legal counsel will not result in stiffer sentences. However, it is not very helpful, in my view, to set an upper limit on sentencing and say: Even your legal counsel told you not to do this. Since you chose to do it anyway, your sentence will be increased. This is sensible, but I would point out that such a declaration would not be sufficient, for the disclosures to legal counsel would, of course, almost certainly constitute significant evidence of guilt. This violates professional independence and the principle of confidentiality between client and counsel. In my view, we have to decide one way or the other. "A bit pregnant" cannot exist here.

3-394
Karas (PPE-DE). – *(DE)* Mr President, Commissioner, ladies and gentlemen, I should like to start by thanking the rapporteur once again for presenting his very good report in response to the Commission's proposals, as well as the amendments put forward by the committee. Thank you very much.

We all know that the competition rules go back to 1957, that Regulation 17 dates back to 1962, and that virtually all the framework conditions have changed since then. On the one hand, we are confronted with globalisation; on the other hand, the European Union, originally a Community of six, will expand to a Community of 25 in future, and I personally think it is a good thing that the centralised system which reserved the right of application of Articles 81 and 82 exclusively to the Commission is now being restructured as a decentralised system. However, this must not lead to the renationalisation of competition policy.

In reality, this is prevented by the fact that European law takes precedence over national law, and I anticipate that the current proposal will create fair competition and equal competition conditions. It will also ensure legal certainty for all enterprises and the uniform application of competition policy, and will simplify procedures in line with the one-stop-shop principle. It will coordinate the activities of the national – in my view, independent – competition authorities and enable the national authorities and courts to cooperate closely with the Commission. It will establish a clear division of responsibilities between the national authorities and courts in the application of European competition and cartel law, and ensure that the Commission continues to be the guardian of the treaties and thus has more time to devote to real problems, i.e. controlling mergers and cartels.

Many congratulations on having the courage to take these initiatives. I wish we could see more of this in other areas too.

3-395
Berenguer Fuster (PSE). – *(ES)* Mr President, since another member of my Group has given up his speaking time, I believe that I have accumulated additional time. In any event, I will not use it up.

Mr President, Mr Evans – whom I congratulate on his report – was absolutely right when he said that this is a very important issue, although it is also true that questions relating to the reform procedure in the field of competition do not inspire interest amongst the citizens, despite their importance for the economic world.

However, personally, I must confess that, for me, to participate in the reform of the rules on the procedure in the field of competition gives me particular personal satisfaction. Because to participate, although in a very modest way, in the process of repealing Regulation 17 of 1962, against which I have fought a long-standing battle and on which I have written repeatedly in a very critical manner, is, I must confess, hugely gratifying.

But at the burial of this regulation, and may it be well buried, which I have always seen as wretched, perhaps at this time, with due respect for the dead, we should a pay slightly fairer tribute by recognising what has been good about it historically.

Regulation 17 made some sense at the time it was approved, that is, in 1962, when the application of Community competition law was being born, which could justify a centralisation of the powers of the Commission, in a Community of seven countries with less than 200 million inhabitants. But the problem with Regulation 17 was not its creation or the rules it established at the time of its creation. The problem has been its maintenance for almost forty years, during which conditions had changed radically. Anybody who had contact with the Commission's procedures in the field of competition was aware of the dissatisfaction caused by its application.

Finally – and fortunately – the Commission has opted to yield to the evidence and promote the derogation of this Regulation, replacing it with a more up-to-date regulation, in line with the views of the White Paper on the modernisation of the Community rules in the field of competition.

In the report produced on the White Paper, this Parliament had the opportunity to express its favourable opinion, although with some fine-tuning in certain cases. This fine-tuning was perhaps related to the reticence of certain members of certain countries which had had a decisive influence on the creation of their national system and a fundamental influence on the Regulation of the procedure. Of course, I did not feel this reticence. I believe that the new approaches in the field of

Community competition law not only constitute an enormous effort to modernise that Community law but also an effort in the right direction.

Today we are being presented with a legislative text which, to a large extent, responds to what had been anticipated in the White Paper. And it also, to a certain extent, takes up some of the observations made at the time by this Parliament.

It is the case that in some respects the proposed regulation has surprised us with extremes which had not been laid out in the White Paper. I am referring specifically to the provision of Article 7 on the possibility of adopting structural measures as a result of a decision on a case of prohibited conduct. This consists, no more and no less, of adopting measures such as the splitting up of companies, particularly of those which have abused their dominant position. As you know, these measures are normal in United States law. Hence the Microsoft case and the famous case of the seven sisters, the splitting up of the Rockefeller oil company, possibilities which are enormously innovative within European law.

I personally support this measure unreservedly; and the fine-tuning which has been introduced by means of amendments in this Parliament are simply a demonstration of a desire that this power be used prudently, as I am sure the Commission is going to do.

Perhaps it is the case that in other respects the Commission's proposal is not fully in line with what was approved at the time by the European Parliament. Specifically, at the time this Parliament favoured a genuine procedural regulation which would regulate the logical principles of any judicial regulation, even if it was simply by incorporating the customs which the Directorate-General for Competition had introduced over almost forty years. In this regard, the Commission's proposal has been more timid than in other respects, but, in any event, if the amendments contained in the Evans report are adopted, or those still maintained by this parliamentary Group, this shortcoming may be corrected.

There are other points on which perhaps our satisfaction is not complete. It is true that there is no single standard in the field of the guarantees of process or rights to defence. But those of us who come from a country where the same principles are applied to administrative penalty procedures, with a constitutional guarantee, as to the criminal procedure, and the same rights are granted to physical persons as to legal persons, would have liked this standard, this level of guarantees, to have been raised in accordance with the amendments approved by the Committee on Legal Affairs, which have not been incorporated into the text. However, at the end of the day, in my country we say that 'the best is the enemy of the good' and there is absolutely no doubt that this is a good regulation which we are supporting.

3-396
President. – You had indeed accumulated Mrs Randzio-Plath's time, a total of six minutes, which you have received.

3-397
Riis-Jørgensen (ELDR). – *(DA)* Mr President, first of all, I want to thank the rapporteur, Mr Evans, very much for what has been sound and constructive cooperation that has led to a good report. It has been a great pleasure to cooperate with you. The continuation of sound competition policy is the main aim of the review being undertaken by legislation in the area of competition. In Denmark this very summer, we have seen the importance of effective competition policy. In that connection, I should like to commend and thank you, Commissioner Monti, for your active contribution regarding the great SAS/Maersk aviation issue which has enlivened our summer recess and which involved the discovery of an illegal cartel and the imposition of a large fine. Without your and the Commission's efforts, such progress would never have been made on this issue and consumers would never have received help. I am therefore satisfied with Article 3 of the Commission's proposal, which clearly states that it is the Community's and not the Member States' competition law that is applied when it comes to transnational issues of competition.

For the Group of the European Liberal, Democrat and Reform Party, it is vital that there be no renationalisation of the EU's competition policy. It is, of course, no secret that there are many of us who are concerned that the Commission's proposal might lead to renationalisation and thus to an undermining of the internal market, something which would hit small and medium-sized companies hardest and be to the disadvantage of consumers. You must therefore promise us, Commissioner, to keep a very careful eye on the national competition authorities, and I can assure you that I shall keep an eye on *you* and make sure you live up to our expectations, something which you have, of course, done so far. I should therefore also like to strike a blow for the Commission's competition authority being given more resources so that we do not run the risk of competition policy being watered down and taken over by the Member States.

If, as is rumoured, the Council rejects Article 3, I would strongly urge you, Mr Monti, to withdraw your entire proposal and start afresh. Without Article 3, the proposal is unacceptable to the ELDR Group. The Council's hesitation concerning Article 3 makes it abundantly clear how crucial it is for Parliament to be given the right of codecision making on competition policy. This is something that Parliament has demanded for many years now and, with the forthcoming Intergovernmental Conference, the time must now be ripe for action.

3-398

Herzog (GUE/NGL). – *(FR)* Mr President, like those fellow Members who have spoken before me, I approve the principle of competition policy reform proposed by the Commission. I welcome decentralisation. The present centralised method, which means that there is a backlog of cases, is inevitably somewhat arbitrary. It cannot guarantee legal certainty. However, I believe that reform will inevitably lead to an extremely interesting raising of the stakes as regards the clarification and development of the rules. And it is on that point that I differ somewhat.

Article 3 is clearly vital. It establishes the principle that Community law overrides national law in cases where practices are likely to affect trade between Member States. But this principle is not acceptable without some clarification. For example, in the case of services of general interest or other services that are essential for the Member States and the regions, I am convinced that there is a need for derogating provisions. At the very least, the Commission should, as proposed by the Economic and Social Committee, present an interpretative communication on this subject.

Article 10 is another important article. It rightly provides that the Commission can make observations to the Member States for reasons of Community public interest. Some clarification is essential here too. Jonathan Evans highlights the example of major investments. Services of general interest also need to be mentioned in this particular respect.

Two final remarks. The rapporteur is right to stress that it is contradictory to replace prior notification by a register. I think that we should do away with the register. He is right to call for convergence in national law. That is the heart of the problem. It supposes that other countries' cultures are respected and that a certain balance is achieved between competition, social and environmental standards, including standards for general interest services. So take a look at the Langen report and other reports.

3-399
Della Vedova (TDI). – *(IT)* Mr President, Commissioner, the Italian Radicals will vote for the report by Mr Evans, who has done an excellent job.

I believe that the measures we are discussing represent a serious attempt to face up to an unavoidable problem – the risk that the Commission will end up overwhelmed by notifications – and I think it was both right and courageous to choose to base this reform on decentralisation to national authorities and courts.

The alternative would have been to create a mammoth, over-bureaucratised structure in its directorate general, all the more so, of course, with the prospect of enlargement.

Of course, only experience will tell us if we are heading into an incomprehensible mosaic or a situation that guarantees legal certainty and, I might say, unity of law within the single European market. I believe, however, that the attempt should be sustained, just as I believe there will be a very warm welcome for the abolition of mandatory notification and authorisation and the introduction of the exception rule, which seems to me a rather more liberal principle, especially in a sector – that of regulating authorities and competition – which is always running the risk of being a different, new instrument for state interference in market dynamics.

This is certainly not the case of the Commission, but a number of authorities – I am thinking of certain central banks, for instance, which in fact preserve anti-trust powers over the credit market – run this risk in my opinion, and sometimes go even further.

In conclusion, I believe, however, that strengthening the sanctioning and investigative powers of the Commission, which are in fact contained in the provision, Commissioner, requires suitable procedural and legal guarantees – this point is raised in Mr Evans's justification – especially in a situation like Europe's, in which the Commission accumulates the functions of both the investigator, one might say, and the judge, since we are not in a system in which the judge is a third party. Of course, there are appeals, decisions can be appealed against, but I believe that in this, in the guarantees for the parties involved in the proceedings, the greatest guarantees must be assured.

3-400
Titford (EDD). – Mr President, yesterday I was in this House addressing the issue of the European Aviation Safety Agency when I noted that the means by which it was being achieved was through the gradual integration of the national systems. Naturally, as you would expect from me as a leader of a party that puts national sovereignty above the integrationalist tendencies of the EU, I strongly object to this process of gradual integration.

Today, under the different heading of reform of competition policy I find that I am confronted with exactly the same thing – yet another attempt by the Commission to achieve the gradual integration of national systems. But what makes this attempt particularly sinister is that it is being sold under the beguiling and wholly misleading claim that the reform is – I quote from the session's news briefing – "to free hard-pressed Commission staff in the Competition Policy Department from routine matters to enable them to concentrate on major cases of non-competitive behaviour".

Although giving Commission officials an easier life might be one effect of this proposal, the way this is being done is to give national competition authorities limited powers to enforce the competition rules hitherto the monopoly of the Commission.

But these authorities are neither independent, as it is claimed, nor free to act. They are being granted licenses to act for the Commission in accordance with Community rules, under the supervision of the Commission and responsible to it. The Commission wants the competition authorities to form a network at the centre of which is the Commission. In other words, the Commission wants civil servants in the different Member States, paid salaries by the Member States, in government buildings paid for by the Member States, using facilities provided by and paid for by Member State governments, to work not for the Member States which finance them, but for the Commission implementing Community law.

Amazingly – and it is a reflection of how superficial is the view and understanding of so many commentators – this is seen and presented as subsidiarity and decentralisation. It is anything but decentralisation. It is the opposite, absorbing the civil servants of many countries into one vast centralised nexus. That is what the network is: everyone working for the one central authority – the Commission.

As for subsidiarity, this is not a matter of Member States being able to make their own decisions and run their own affairs at local level. This is the Commission running Member States' affairs, using the resources and the facilities of those Member States as if they were its own.

That state of affairs, it seems, also applies to the courts which will hear the cases in Member States. Although they may nominally be the courts of the Member States and their running costs are paid for by the Member States, they are – as the draftsman so clearly reminded us – courts of Community law underlying the whole Community judicial system. In other words, not only are Member States' civil servants being absorbed into the maw of the Community, but the courts are too.

All this is being done in the name of efficiency. It should be remembered that the most efficient form of government is the centralised dictatorship. The least efficient is the democracy. In important ways, therefore, efficiency is the enemy of democracy.

I fear that in the supposed interests of efficiency we are surrendering something much more valuable – the very democracy at the heart of all our nations – to the centralised technocracy which is the Commission. This is not so much integration as assimilation. It will all end in tears.

3-401
Kauppi (PPE-DE). – Mr President, there is a general agreement that we clearly need some reform in some competition rules, and especially in their practical implementation. Regulation 1017 has been applied with only little modification since the 1960s. It is therefore understandable that the continued application of this regulation in its current form is no longer consistent with effective supervision of competition. We have to serve our consumers and our companies better with up-to-date rules of application.

In my view, in a period of 30 years of implementation, EC competition law has reached a level where decentralising is not only possible, but almost necessary. We are all aware of the workload of the DG for competition and we understand that we have to do something to reduce it, or drastically increase the resources in Brussels. At the same time, we hear our voters reminding us how we should respect the principles of subsidiarity and proportionality and that we should avoid centralising all decision making to Brussels bureaucrats. In that question, I totally disagree with Mr Titford.

With the reform at hand we are able to achieve many of our objectives. Ending the current system of prior notification should benefit business and make more resources available to the Commission to concentrate on more serious infringements. Ex ante notification should not be replaced with a burdensome registration system. However, the shift to the new regime will not be an easy task. It is of the utmost importance to ensure that competition issues within the EU are treated similarly in all Member States. There are many detailed situations where legal certainty might be a danger. Personally I, and many of my colleagues from smaller Member States, are worried about the definitions of dominant position in the market. Companies from Member States – especially from the smaller Member States – should have equal possibilities to grow in the single market and to achieve a strategic position to compete with the global rivals. The Commission decision to say no to the Volvo/Scania merger was an example of the situation where the relevant market definition was maybe too narrow. The Commission should not declare that the market is national or regional if there is clear evidence that is not the case.

3-402
Rovsing (PPE-DE). – *(DA)* Mr President, I can tell you that it is a long time since the Danish people have heard so much about the EU as they have in the last few weeks, and that is something for which we can thank Commissioner Monti His work opposing cartels has been front page news for a couple of weeks. It has been thoroughly debated on television and radio, and it has led to debates within the population and in the Danish parliament. That is something for which I would thank the Commissioner, and I have observed that there has been support in all quarters for what the Commissioner has

done. We can therefore say that competition law has been accorded an important place in the Danish consciousness. That is something for which I would thank you.

In connection with Amendment No 10, there have been discussions between the Commissioner and his employees and, especially, between myself and my own employees. We have observed the need for the Commission to be given access to all papers if the Commission is effectively to be able to make use of its powers and go after those cartels which do not comply with the laws. I agree that that is necessary, but company managements and boards need their experts to be able to give them proper, independent advice without those experts having to fear that, if something subsequently goes wrong because either board or management acts against their advice, this will entail an increased penalty. I have understood from Commissioner Monti and his colleagues that this is a view he shares and, as Mr Evans has said, the Group of the European People's Party will therefore vote against Amendment No 10 if the Commissioner submits such an opinion. I would thank the Commissioner for his sound cooperation and for the fine work which he can be relied upon to carry out and which is of enormous importance, especially for small countries.

3-403
Monti, *Commission*. – *(IT)* Mr President, I am glad that, in the report drawn up by Mr Evans, the Committee on Economic and Monetary Affairs emphasises the importance of reform as a means of ensuring effective implementation of the rules on competition in an enlarged Community. I would like to thank Mr Evans personally for his consideration for the Commission, his commitment in dealing with this issue and the high quality of his report. Next I would like to thank the European Parliament as a whole and all those who have spoken this evening for the support and encouragement Parliament has given the Commission during the debates on the White Paper and ever since. I must say our proposal for a regulation has greatly benefited from the comments, criticism and encouragement emanating from the committees and from this House.

The central purpose of the reform is to create a more effective system of implementation, to the benefit of consumers, businesses and the European economy in general.

Abolishing the current system of notification and authorisation and the exclusive power of the Commission under Article 81(3) means the Commission and the national competition authorities will be able to concentrate their efforts on combating the worst infringements.

The establishment of a network of authorities for the protection of competition will allow us to coordinate our efforts and use our respective resources to best effect. The essential premise for the success of such cooperation is for all the competition authorities to apply the Community rules more widely, otherwise the planned network would just be an empty framework. This is essential if we want to create uniform competitive conditions for common market businesses and prevent renationalisation of Community competition policy.

I keenly appreciate, therefore, the fact that Mr Evans fully and firmly supports the Commission's proposal contained in Article 3, aimed at making Community competition law the only set of rules to be applied in cases where trade between Member States might be prejudiced.

This proposal has very wide implications and is meeting with resistance on the part of various Member States within the Council's working group. However, I remain convinced of the solid logical foundation of the proposal and I can assure you that the Commission is determined to establish uniform conditions for agreements that might prejudice trade between Member States.

Mr President, I would now like to touch on some of the specific issues that have emerged, starting with professional secrecy. Effective implementation of the rules on competition is closely linked to the capacity of the Commission to obtain evidence on infringements. Our powers are closely linked to documentary evidence. We base a great deal of our work on on-site inspections, looking for documents which demonstrate the existence of cartels. Any change likely to reduce the effectiveness of our inspections would therefore have grave consequences on the possibility of implementing the rules on competition and on their effectiveness. That makes me extremely worried about the amendment to extend duty of secrecy to in-house lawyers.

I want to avoid any misunderstanding on one point, however: the Commission is perfectly aware of the positive role that in-house lawyers can play by counselling companies about observing the rules on competition. That role will assume greater importance under the new system, where companies will have to carry out more systematic self-assessment of their agreements in particular to establish compliance with the exemption conditions laid down by Article 81(3).

However, the question of duty of secrecy for in-house lawyers essentially arises in the context of inspections attempting to establish the existence of serious restrictions which fail to comply with the provisions of Article 81(3). In this context, the reform proposed by the Commission does not change the current situation at all. We have to recognise that, unlike external lawyers, in-house lawyers are employees of the company and take their orders from it. They are in a position of

occupational dependence and may face a conflict of interest between loyalty towards their employers and respect for ethical standards. Furthermore, internal communications between a company lawyer and his employer are so numerous and indistinguishable from purely company advice – which differs from legal advice – that duty of secrecy for in-house lawyers could create conditions ripe for concealing documentary evidence. If the communications between in-house lawyers and other employees became confidential, the Commission's powers to apply the standards would be seriously compromised.

On this specific problem I have taken note of the information Mr Evans and Mr Rovsing gave just now, designed to promote a compromise solution. For my part, I can assure you that if Amendment No 10 is rejected, the Commission will cease to regard evidence contained in such documents as an aggravating circumstance in determining financial sanctions. In that eventuality, I can give an assurance to propose the following form of words to the Commission: 'in determining what financial sanction to impose on a company in future cases, the Commission will not regard as an aggravating circumstance, under the guidelines for calculating fines imposed in implementation of Article 15(2) of Regulation 17 and Article 65(5) of the ECSC Treaty, the existence of texts demonstrating that the company's in-house lawyers have alerted the directors to the unlawfulness of conduct covered by the Commission's decision'.

I hope that this assurance can represent common ground between the Commission and those seeking to extend the duty of secrecy to in-house lawyers.

The Evans report rightly stresses the importance of legal certainty for companies. The rules and their scope must be sufficiently predictable.

A wider application of Community competition rules by the relevant authorities in the context of a network of close cooperation will, in itself, represent a great step forward in ensuring predictability as compared with the present situation, in which sixteen competition authorities apply different rules.

The Commission recognises that under certain circumstances there may be a legitimate requirement for clarification in relation to an individual case, and that the guidelines, guiding principles and existing case law do not always provide answers. However, it is essential to avoid any rules that might lead to the reintroduction of the notification system.

The amendment proposed to Article 10 raises concerns in this respect. By way of supplement and clarification, it states that the Commission can decide that there is no violation of Articles 81 and 82, in particular whenever the agreements involve financial risk or considerable investment of capital. This amendment would only be acceptable if the Commission was not in practice compelled to decide that there was no violation in all cases involving substantial investment.

The Commission believes the best way to ensure predictability in individual cases is to introduce a new instrument: the adoption of opinions. The Commission has already undertaken to introduce such a system, whereby it can issue reasoned written opinions in cases where there are gaps in the existing rules and decision-making procedures. The level of investment will also be one of the relevant criteria in deciding whether to issue an opinion or not. My impression is that the proposed system for formulating opinions would be favourably received by the business world.

On harmonisation of the procedures and sanctions, the Commission's proposal is based on the traditional approach, which leaves the Member States able to determine the procedures and sanctions for implementing Community law.

I agree with the Evans report that it is desirable to have common procedures and sanctions but, like Rome, the Community was not built in a day. Our approach is to introduce a substantial framework first, leaving the possible introduction of common procedures and sanctions to a later stage. Once experience of operating the system has been acquired, it will be easier to identify the areas that give rise to practical problems and draw up rules to deal with them effectively.

The last point I want to mention, Mr President, relates to the national courts. I am persuaded that they will be fully capable of applying Community competition rules in their entirety, because they already play a fundamental role in implementing Community law. Nor should we forget that, to guarantee consistent implementation of the rules, the proposal provides, in particular, for the Commission, together with the national competition authorities, to be entitled to comment as *amicus curiae* on proceedings pending before the courts. The proposed powers will allow the Commission to protect the public interest in the effective and consistent implementation of the rules, by drawing the attention of the courts to important points relating to their interpretation and implementation. As regards the independence of the courts, of course they will not be bound by the comments of the *amicus curiae* and they will, in any case, be free to submit preliminary questions to the Court of Justice.

We are aware of the fact that the proposed reform may mean the courts have to acquire new powers. The implementation of the competition rules can indeed be a complex matter. I therefore agree entirely with Mr Evans that the question of training judges requires careful consideration. The Commission can contribute in substance, providing material and human

resources. We are also looking at the possibility of cooperating with the national authorities in this matter and providing finance from existing training programmes.

I conclude, Mr President, by expressing sincere and heartfelt thanks to the European Parliament for travelling a common road with us through this very complicated terrain, which is, however, as various speakers this evening have sought to highlight, of such vital interest to the economy and indeed to our individual citizens whom you represent.

3-404
President. – Thank you very much, Commissioner.

The debate is closed.

The vote will take place tomorrow at 12 noon.

3-405

Medium-term financial assistance for Member States' balances of payments

3-406
President. – The next item is the debate on the report (A5-0269/2001), by Mr Andria, on behalf of the Committee on Economic and Monetary Affairs, on the establishment of a facility providing medium-term financial assistance for Member States' balances of payments.

3-407
Andria (PPE-DE), *rapporteur. – (IT)* Mr President, Commissioner, ladies and gentlemen, the report I am presenting to you arises from Council Regulation 1969/88, which established a facility providing medium-term financial assistance for Member States' balances of payments. Article 119 of the Treaty provides that where a Member State is in difficulties or is seriously threatened with difficulties as regards its balance of payments, the Council shall grant 'mutual assistance' so that the functioning of the common market is not jeopardised. That mechanism can be activated by the Council following an initiative from the Member State which is in difficulty or following an initiative from the Commission.

At least in its intended form, the mechanism should be distinguished above all by rapidity of intervention and, in response to the loan received, by the adoption of all appropriate economic measures for re-establishing a sustainable balance of payments position. Since it came into force – on 25 June 1988 – the facility has not been activated much. It has only been used twice, in 1991 for the grant of a EUR 2.2 billion loan, of which only one billion was released, and in 1993 for the sum of EUR 8 billion, of which only the first tranches were released.

It immediately seems clear that many European facilities offered to the Member States are not fully taken up; the failure on the part of some Member States to make use of the Structural Funds also comes to mind. Perhaps there ought to be superior delivery of information to encourage the members to make better use of the opportunities available.

Coming back to the report, I should mention that, as a result of the conclusions adopted by the Economic and Financial Committee on 13 October 1997 and pursuant to Article 12 of the regulation in force, the Commission submitted a report to the Council and Parliament advocating retention of the facility. That position can be ascribed to the fact that, while only countries with derogations can use the facility, with enlargement the eventuality could arise repeatedly.

To be on the safe side, it was decided to reduce the ceiling from EUR 16 billion to EUR 12 billion – Amendment No 2, Recital 8; the Council shall adopt the decisions after consulting the European Parliament – Amendment No 3, Article 9; and shall examine whether the facility is adequate every two years, not three – Amendment No 4, Article 11. Subsequent amendment, including altering the ceiling, is therefore still possible.

We also support the Committee on Budget's amendment – Amendment 1, Recital 6a (new) – on the establishment of a mechanism to protect the Community budget from any potential risks of default and corresponding call on the guarantee. We actually think that possibility is rather remote. With enlargement the new countries joining have made significant efforts to put their accounts and balances of payments in order. The Community budget is protected as regards loans granted to third countries by the Guarantee Fund Mechanism. An analogous system could be considered, though with a smaller financial commitment, in the case of finance for countries with derogations.

In conclusion: first, the loans are directly guaranteed 100 percent from the Community budget; second, the risk of default, which can never be ruled out, is covered by an adequate protection mechanism; third, the instrument is likely to be better and more widely used at the stage of European enlargement; fourth and last, the management of the loans is entrusted to the ECB, replacing the Commission which was previously responsible for this.

3-408
Torres Marques (PSE). – *(PT)* Mr President, Commissioner, ladies and gentlemen, the Party of European Socialists supports the current Commission proposal because it seeks to simplify and modernise the sole mechanism of financial

support for the balances of payments of the European Union's Member States which are not part of the eurozone. The fact that only three countries, Great Britain, Sweden and Denmark, should benefit from this mechanism, in addition to the fact that this instrument has only been used twice since its entry into force in June 1988, justify a reduction in the overall sums earmarked for loans from EUR 16 to 12 billion. Other proposals also warrant our support, such as the possibility of the Commission undertaking swap operations, the recognition of the role of the Economic and Financial Committee and the need to make the support mechanism compatible with the possible opening, in the very short term, of a line of credit by the European Central Bank.

Three problems have become clear, however, and I should like to hear Commissioner Solbes Mira's position on them. Firstly, with the proposal to apply this mechanism to the countries included in enlargement, will it really not be possible to have imbalances appearing in the balances of payments of future Member States, given the substantial structural reforms that must be implemented in order to make accession possible? Mechanisms must, therefore, be planned forthwith to address these situations. Secondly, must and can this mechanism apply to candidate countries as early as the pre-accession period? Lastly, what advantage do we gain by having the Commission and not the European Central Bank supervising these loans?

I wish to thank the Commissioner for the answers he may give us and I congratulate Mr Andria on this report.

3-409
Solbes, *Commission*. – *(ES)* Mr President, many thanks to Mr Andria for his report on the amendment of the Regulation on the facility providing medium-term financial assistance for Member States' balances of payments.

In your interventions you have raised a series of doubts and questions which I would like to clarify.

The first fundamental doubt is: can this facility be extended to the candidate countries? You know, and your report clearly expresses this, that this exact model cannot be extended to the candidate countries. This system applies to Member States. Another question is whether we can apply this facility to the candidate countries once they have signed the accession agreements and before they have been ratified, in other words, at the point that it becomes necessary to make more progress on the processes of structural adaptation of their economies.

Does this mean though that the candidate countries do not have any support system to resolve any possible difficulties in this area? Absolutely not. We are still applying the macrofinancial aid system which can be applied to the candidate countries, just as it is applied to any third country.

We believe that that is the thinking behind the model and we believe that if we modify the system, trying to give special treatment to the candidate countries at the point of negotiation, not only would we introduce uncertainty in terms of which countries we apply it to, but we would also introduce doubts into the financial markets if the process of liberalising capital movements generates risks which would lead us inevitably to implementing a mechanism for compensating them.

The Commission therefore believes that it is much more logical to maintain the system as it is at the moment, with the guarantee that, without any doubt, if any candidate countries have problems, the macrofinancial aid system will be applied to them. We believe that any other model would create more confusion and more problems, rather than helping to resolve the difficulties.

The second point that you have raised is the problem of the degree to which the new model implemented may negatively affect the Community budget. I believe that there is no difficulty here. You well know that we have a different model of guarantees, whether we refer to macrofinancial aid to third countries, or whether we do so in relation to long-term aid within the Community framework.

It is true that we grant macrofinancial aid to certain third countries with difficulties. It is also true that we do so in cooperation with other international financial institutions and by applying programmes that have been agreed by them. Experience suggests that non-payment difficulties do not generally arise. There is a risk, albeit a slight one, but it cannot be ignored. That is why the guarantee fund was implemented, allowing us to confront these difficulties in the event of non-payments. And that system must be maintained.

An equivalent guarantee fund must be implemented for long-term aid to Member States of the Union. In our opinion, that situation is not reasonable either now or in the future. When we talk about long-term aid or loans to the Member States of the European Union, we are clearly talking about countries with solid financial structures, bound by Community obligations and therefore not posing any risk in terms of non-payments.

Will the candidate countries pose more risks than the current Member States at the point that they become members of the European Union? In my opinion, no. Compliance with the obligations resulting from enlargement is going to mean, amongst other things, cooperation in the monitoring systems which allow us not only to help them to modify and improve

their financial systems, but also to have all the necessary guarantees so that their situation may be similar to that of the current Member States. We therefore do not believe that it is necessary to modify the system in this regard.

We believe that when the system is applied to them, the candidate countries will already be members of the European Union and therefore no special guarantee system will be necessary. If they have to receive macrofinancial aid while they are candidate countries, the same model applied to macrofinancial aid would be applied to them.

The third problem you have raised is: who should grant this type of aid, the Bank or the Commission? This is subject to a technical debate. It has not been resolved. I do not believe this is the greatest problem, however; each model has its advantages and its disadvantages, in terms of coherence and speed, and I hope that a solution will be found in the Council. However, for the Commission this is not the greatest problem.

The last point you have raised is: to what extent can the European Parliament be involved in the granting of this medium-term aid for balances of payments? The mechanism which has currently been implemented is based on a fundamental idea: urgency. When we talk about a situation of balance of payments difficulties, we are talking about decisions which have to be taken very quickly and, secondly, with sufficient technical support to allow the financial markets to positively assess the decision adopted.

With regard to urgency, according to the current model, the decision is adopted by the Council on the proposal of the Commission, subject to a report from the Economic and Financial Committee. We believe that this model allows us to respond to the urgency and also allows us to receive the necessary technical support so that loans or aid may be positively assessed by the market. Should the European Parliament participate in this model? In my opinion, it is no accident that the Treaty does not include the European Parliament as an institution to be consulted previously. I believe that this is due to precisely that idea of urgency. But this must in no way mean that the European Parliament does not have the right to receive all the information and know what decisions are taken and why.

In my opinion, we could improve the system by giving information to the European Parliament as soon as these decisions are taken, so that they may have detailed knowledge of them, know why they have been adopted and know all their content. Of course, the possibility of reviewing the regulation in the future, in two or three years, is not a great problem for us and clearly, in the event of a review of the Regulation, the European Parliament must continue to play the role it has played until now.

I would like to thank all of you for your participation on this issue, which is sometimes rather dry, but which I believe is also fundamental to everyone. We must study the mechanisms which, as you have said, will provide us with a safety valve in the event that difficulties may arise in any Member State in the future, as a result of enlargement, difficulties which will have to be resolved efficiently, making full use of the procedures laid down in our Treaty.

3-410
President. – Thank you very much, Commissioner.

The debate is closed.

The vote will take place tomorrow at 12 noon.

3-411

Marketing and use of certain dangerous substances and preparations

3-412
President. – The next item is the debate on the report (A5-0271/2001) by Mrs Ries, on behalf of the Committee on the Environment, Public Health and Consumer Policy, on restrictions on the marketing and use of certain dangerous substances and preparations.

3-413
Ries (ELDR), *rapporteur. – (FR)* Mr President, Commissioner, ladies and gentlemen, I would first like to thank all those Members who took part in the debates on my report in committee, and in particular the shadow rapporteurs of the various political groups, Mrs Oomen-Ruijten, Mr Bowe, Mrs Schörling and Mr Sjöstedt. We have before us the proposal for a directive amending for the 24th time the 1976 dangerous substances directive, which proposes restrictions on the marketing and use of pentabromodiphenyl ether.

What exactly is at issue here? Pentabromodiphenyl ether is a flame retardant, 95% of which is used in the manufacture of flexible polyurethane foam for furniture and in particular upholstery. It is found, for example, in car head-rests and in the protective foam used for packing items of electrical and electronic equipment.

Starting with pentaBDE and its harmful effect on our environment and on our health, the picture is very clear indeed. A preliminary study carried out in 1998 by the Swedish authorities indicates a high concentration of this substance in breast milk. Two opinions of the Scientific Committee on Toxicity, Ecotoxicity and the Environment from February and June 2000 highlight the damage that could be caused by pentaBDE in relation to discharging this substance into the environment and its being a persistent and bioaccumulative substance. There is therefore a risk to the environment and to human health. There is a unanimity of opinions on this. It was therefore totally logical for the Commission to propose in January of this year a total ban on the marketing and use of pentaBDE. And I would say that it was also logical for our Committee on the Environment, Public Health and Consumer Policy to vote to confirm this ban.

A second substance, octabromodiphenyl ether, is also directly affected by the directive in view of the percentage of pentaBDE residues that it contains when it is sold. OctaBDE is used mainly here as a flame retardant in furniture made of plastic and in office equipment. In this case, the Commission preferred to accept the final conclusions of the risk assessment study still being carried out for this substance. It therefore restricted itself to limiting the percentage of pentaBDE residues authorised in octaBDE to 5%. The Committee on the Environment, Public Health and Consumer Policy does not share this view. In fact it seems to us to be totally contradictory to ban pentaBDE while permitting the presence of what we regard as significant quantities of pentaBDE in other chemical products, in other substances. Furthermore, I would say that the initial results of the current risk assessment, of which I am aware, are negative and tend to prove the harmful effect of this product not only on the environment but also on public health. These two areas have been assessed by British and French experts respectively, and I have consulted those experts in detail. In view of these different factors, the Committee on the Environment, Public Health and Consumer Policy has tabled an amendment which would extend the marketing ban to octabromodiphenyl ether also, thus strictly applying the precautionary principle. I think I do not need to remind you that the precautionary principle does not mean waiting until there is absolute proof, which in this case would mean waiting for the final result of the risk assessment, when there is sufficiently serious and tangible evidence to demonstrate that a substance could have harmful effects on public health and on the environment. That is exactly the case with octaBDE.

Third and last, and things always seem to go in threes, there is decabromodiphenyl ether, another flame retardant in the same family, which in practice accounts for 80% of this family of brominated substances and has a great many applications, not just in electrical and electronic equipment but also and above all in insulating and building products and in textiles. DecaBDE is the only one of these three substances not to be mentioned at all in the Commission document. Yet I regard it as being difficult, nay, impossible, and I will come back to this point in a few moments, to exclude decaBDE, which is why in Amendment No 4 in my report I call for a method for the evaluation of risks by family of chemical products, and no longer on an individual substance by substance basis. In order to ensure coherence, the Committee on the Environment, Public Health and Consumer Policy has extended the scope of this directive to cover all the polybromodiphenyl ethers. This is totally in line with this House's recent vote on the electrical and electronic equipment directive. While waiting for precise information to emerge from the risk assessment in relation to decaBDE which is also currently in progress, Amendment No 16, which I have tabled in conjunction with the PPE Group and the Socialist Group, essentially proposes a ban on decaBDE with effect from 1 January 2006, unless the risk assessment in some way exonerates this substance and concludes that decaBDE does not pose any problems. So this is a sort of reversibility clause.

While I am on the subject of amendments, I would like to mention that I oppose Amendment No 9, which aims to change the title of the proposal so as to extend the immediate ban to the marketing of decaBDE. I do not really have any fundamental philosophical objection to Amendments Nos 12, 13 and 14, but I prefer the Commission's original text. With regard to the other amendment tabled by the Confederal Group of the European United Left/Nordic Green Left, I believe that my report already takes account of the criticisms contained in Amendment No 11 regarding the extremely cumbersome nature of the risk assessment and control procedures for existing substances. I mentioned that just now.

To conclude, the Council Working Party on Dangerous Substances, which will be meeting in a week's time, will determine the broad guidelines to be adopted by the Internal Market Council on 27 September. I hope that they will make it possible to narrow the gap between the positions of Parliament and the Commission. I also hope, indeed I think, that it will be quite possible at second reading to finalise the adoption of this proposal for a directive amending the dangerous substances directive for the 24th time.

3-414

Oomen-Ruijten (PPE-DE). – *(NL)* Mr President, may I first of all compliment Mrs Ries on her excellent and sound report? We are talking today about the limitations of introducing on the market and using certain hazardous substances and preparations, especially flame retardant agents such as pentabromodiphenyl ether.

Risk assessments have shown, as Mrs Ries has just said, that the use of pentabromodiphenyl ether carries risks for the environment and public health, because this bromide-based, flame retardant agent is used in the production of furniture and upholstery. So for this reason, in the interests of public health and the environment, the marketing and use of pentaBDE and all articles containing pentaBDE must be prohibited.

As alternative flame retardants are available, fire and environmental risks will not increase as a result of this ban. Besides penta, two other bromide-based flame retardants are available on the market, namely decaBDE and octaBDE. Octa is mainly used in plastic office equipment and in components of household appliances. In dealing with the directive on the limitation of the use of certain hazardous substances in electric and electronic equipment, this House has already come out in favour of a gradual ban on all PDBEs in specific uses by January 2006. The possible risks of octa and decaBDE are being evaluated at present and the results of this study will be submitted to the Scientific Committee on Toxicity, Ecotoxicity and the Environment by the end of this year.

With regard to decaBDE, on which there are as yet no negative conclusions, the ban must, in the view of the PPE-DE Group, be revocable, hence dependent on the results of the risk assessment which will be available before the end of the year. For octaBDE, however, I share the opinion of Mrs Ries that the use of this substance must be banned forthwith, even though the assessment of the risks is not yet concluded. The first known results of the risk assessments for octaBDE, which are at present being carried out in the United Kingdom as regards the impact of the environment and in France as regards the consequences for public health, show that with this substance there are clear risks for human health and the environment. The precautionary principle, therefore, prescribes that we do not wait to impose a ban on this substance until the final results of the investigation are known.

Mr President, in the interests of health, the protection of European citizens, the protection of the environment and the maintenance of the internal market, on the basis of results so far known of the risk assessments of bromide-based flame retardants and on the basis of the principle of prevention, there should be a ban on penta- and octaBDE and also on decaBDE if the risk assessment expected before the end of the year shows that decaBDE gives cause for concern.

3-415
Bowe (PSE). – Mr President, firstly I would like to congratulate the rapporteur for the report which has been a difficult one in terms of reaching a balance between the interests of what is clearly the very important – and very immediate – issue of fire safety and the more difficult, but more long-term problem of future harm to public health and the environment.

The substances which are the subject of this report have clear and demonstrated beneficial properties as flame retardants in materials and products such as foam-filled furniture. However, they also have important negative properties. They are toxic. They are bioaccumulative in animals and in the general environment and they have even been found, as has been said already, in human breast milk.

Action on these substances in the opinion of many Members of this Parliament has been long delayed due to the slow progress of the risk assessments undertaken under the existing substance regulations of 1993. The final results and publications of the risk assessments of certain of these substances are still awaited. I hope the Commission notes that.

The general conclusions are clear. These substances which have a potential for harm to the environment must be strictly controlled. One cannot ignore however their very real and positive benefits in terms of reducing substantially the annual human death toll due to accidental fires. Accordingly, I would welcome the report. I give my support to the amendments to that report which enable the continued use of the most stable isomer, that is decaBDE, until such time as this substance has a complete risk assessment and its real uses and risks are assessed and we have some conclusions on it. I commend the report to the House.

3-416
Schörling (Verts/ALE). – *(SV)* Mr President, I am really pleased that the rapporteur, Mrs Ries, and the discussion in the Committee on the Environment, Public Health and Consumer Policy have tightened up the Commission's proposal concerning brominated flame retardants. We are of course aware that pentaBDEs, octaBDEs and also decaBDEs are resistant, toxic and also bioaccumulative, since highly brominated flame retardants have been found high up in the food chain. It is within the field of Swedish environmental research that it has been established that decaBDEs too are bioaccumulative. The whole group must therefore be banned. The precautionary principle requires that we act *now* and not wait for the results of the current risk assessment, as proposed in the case of decaBDEs in Amendment 16, for decaBDEs account for 80 per cent of the use of brominated flame retardants. If we were to wait for a ban in 2006, this would mean tons of high-risk chemicals being released into the environment, something which would clearly contravene the precautionary principle. I therefore applaud the amendment by the Group of the Greens, designed to place an immediate ban on the entire group of brominated flame retardants right now.

3-417
Van Brempt (PSE). – *(NL)* Mr President, ladies and gentlemen, I am delighted to add my own congratulations to those addressed to the rapporteur. Everyone has already said that this is a very difficult matter since various interests backed by large lobbies are involved, but also fire safety and the long-term protection and future of the environment.

It will probably be a very technical debate. Pentabromodiphenyl ether. What's in a name? This concerns bromide-based flame retardants, but also a socially very relevant theme. The previous speakers have clearly shown the problems this creates for the environment and public health. OctaBDE and decaBDE are, as a result of a Regulation on risk analysis,

which is now seven years old, the first to have been placed on the first list of priority substances for risk analysis. The evaluations have not yet been concluded. Since those substances are known to be dangerous for the environment, waiting for the conclusions of that slow risk analysis would unnecessarily delay better protection of human beings and the environment. Although I should have preferred to see an immediate ban on bromide-based flame retardants – as my fellow MEPs are aware – I completely support the compromise, since it is also acceptable. It provides for an immediate ban on penta- and octaBDE and the banning in 2006 of decaBDE, unless – and this is important – it is proved to be harmless.

It also immediately indicates that in this matter we are balanced between policy based on risk analysis and the new chemical policy that we are dealing with at present and that is designed to facilitate faster analyses, but also above all that responsibility for this no longer lies with the Commission and the Member States but with the manufacturers.

This matter shows yet again that the current chemical policy with a substance-by-substance analysis takes years and that as a result the authorities are in a very weak position for protecting human beings and the environment. Therefore, in the strongest possible terms, we are calling for an urgent revision of the policy, as we are at present doing with the White Paper on Chemical Policy.

3-418
Byrne, *Commission*. – Firstly, I would like to express my thanks to Members for their interest in this proposal and especially to Mrs Ries, the rapporteur, for her constructive work.

PentaBDE is a flame retardant used in the production of polyurethane foam for furniture and upholstery. It poses a risk to the environment, is bioaccumulating and has been found in human breast milk. In response to the findings of a risk assessment under the regulation on the evaluation and control of existing substances, the Commission proposed, in January of this year, a directive banning the marketing and use of pentaBDE.

The Commission's proposed directive covers all uses of pentaBDE, and articles containing pentaBDE. It is an application of the precautionary principle, given concern about the presence of pentaBDE in breast milk from unidentified sources.

The costs and benefits of the proposed ban have been carefully analysed. Suitable alternatives, both in technical and economic terms, are available. I would stress that the proposal will not result in greater risks from fires or greater risks to the environment. I believe it is a proportionate measure.

The proposed directive provides not only for the protection of the environment, of consumers' and workers' health but would also preserve the Internal Market. It would introduce harmonised rules in the Member States.

The Commission is unable to accept those amendments of the Parliament which would extend the scope of the proposed directive to include bans also on other substances i.e. octaBDE and decaBDE (Amendments No 1, second part of No 2, Nos 3, 6, 7, 9, 10, 11, 12, 13, 14 and 15). These other substances could be the subject of a subsequent proposal of the Commission when risk assessments have been completed and the availability of safe substitutes analysed.

The Commission is also unable to accept the amendments that would introduce bans on octaBDE and decaBDE taking effect from 1 January 2006 if the risk assessments do not conclude that the substances cause no reasons for concern (Amendments Nos 8 and 16). Accordingly, these substances would be totally banned from 2006 if the assessments show concern or they would be left totally unregulated if the assessments show no concern.

The Commission favours a more nuanced approach which would mean that measures could take effect much earlier than 2006. The completion of the risk assessments and analyses of availability of safe substitutes would allow the uses of concern to be identified and appropriate measures to be quickly taken. If necessary, the precautionary principle could be applied to ban such uses. As the assessments are expected to be completed in the autumn of 2001, the chosen measures could be effective well before 2006.

Nor is the Commission able to accept the amendment on procedures for risk assessment under Regulation 793/93 (Amendment No 4). This amendment goes beyond the present proposal to restrict the marketing and use of pentaBDE.
The Commission can accept in principle to delete the derogation on pentaBDE in concentrations of less than 5% in technical grade octaBDE from the ban (first part of Amendment No 2 and Amendment No 5 of the Environment Committee) as new information from producers indicates that octaBDE can be produced without pentaBDE.

To summarise our position, the Commission can accept Amendment No 5. The Commission cannot accept Amendments Nos 1 to 4 and 6 to 16. However, the Commission can, in principle, support the first part of Amendment No 2.

We wish to carry on the dialogue with Parliament and I am convinced we can reach a constructive solution.

3-419
President. – Thank you very much, Commissioner.

The debate is closed.

The vote will take place tomorrow at 12 noon.

3-420

Quality and safety standards for human blood and blood components

3-421

President. – The next item is the debate on the report (A5-0272/2001) by Mr Nisticò, on behalf of the Committee on the Environment, Public Health and Consumer Policy, on the quality and safety standards for the collection, testing, processing, storage and distribution of human blood and blood components.

3-422

Nisticò (PPE-DE), *rapporteur. – (IT)* Mr President, Commissioner, first of all my sincere thanks to the chairman, Caroline Jackson, for giving this report preferential passage. Equally sincere thanks go to all the shadow rapporteurs for the optimum cooperation there has been, and thanks, too, to the Commission officers, the representatives of the various associations and all those Members who have contributed to improving this important and sensitive directive with excellent amendments.

The directive fills a void which has existed in Europe up to now around standards of blood quality and safety. The objective of this directive is primarily the protection of donors and patients, finally making it possible for all the Member States to have the same standards which ensure the maximum possible level of quality and safety of blood and blood components, not only for blood available in the countries of the European Union but also for blood imported from third countries.

The directive provides for continuous updating, at least annually, of laboratory tests to identify bacterial or viral pathogens and other infective agents, as well as upgrading to the most sophisticated technology for safer and more effective sterilisation of blood and blood components. There are also recommendations to the Member States to strengthen scientific research in the sector. The existence of a new European directive which provides for the same standards of quality in the individual Member States will facilitate the free movement of blood from one European Union country to another and remove uncalled-for restrictions on donors moving between countries.

High standards of quality and safety must apply during all stages in the transfusion chain, from donation to inspection by means of specific laboratory tests, collection, processing, storage, distribution and utilisation of whole human blood and its components.

The quality and effectiveness guarantees must therefore cover the suitability of blood donors, plasma and their components, the transfusion structures, the qualifications and training of medical, technical and nursing staff and the checking, inspection and control mechanisms, as well as a system for ensuring the traceability of blood from donor to recipient. The European Parliament provides for the person responsible to have a qualification in medicine, preferably with a specialisation in haematology or transfusion medicine or related medical specialisation.

In order to gain a better understanding of the importance of monitoring each stage in the process, it is worth considering the unfortunate, terrible, adverse reactions which have occurred and which we hope will never occur again, for example AIDS, hepatitis B and C and other, sometimes fatal infections, like anaphylactic shock or endotoxic shock.

The Commission has accepted the rapporteur's proposal to delete the annexes, as they cover extremely complex technical matters. They should be updated periodically by a simple and flexible mechanism.

Finally, the principle by which all donations should take place on a voluntary non-remunerated basis has been strengthened by numerous amendments from Parliament. However in my opinion, Commissioner, the priority is to safeguard the needs and requirements of patients. In fact, in view of the sadly limited number of donors still, and Europe's lack of self-sufficiency in blood, if all forms of incentive for donors were immediately banned it would create enormous, even fatal, difficulties for patients. The shortage of blood and plasma is a well-known problem in Europe.

That is why I hope the House will approve the amendment by the Group of the European People's Party (Christian Democrats) and European Democrats and the Group of the European Liberal, Democrat and Reform Party which upholds the principle of free and voluntary donation on the one hand, but allows a transitional phase for achieving that principle on the other. An oral amendment by Mr Lisi states that by the end of December 2008 all donations must be voluntary and non-remunerated. Individual Member States must encourage the achievement of that principle, but sufficiently gradually to avoid any possible catastrophic effects on the public.

As regards imported blood – Amendment No 43 – it should be specified that the criteria this amendment refers to relate to the quality and safety of the blood.

In conclusion, Mr President, the guarantee of high standards of quality, effectiveness and safety of blood provided for in the directive will mean greater peace of mind for European Union citizens about any treatment with blood, as well as greater confidence in the European institutions and the national authorities.

3-423
Oomen-Ruijten (PPE-DE). – *(NL)* Mr President, a well-regulated and hence safe supply of blood is of great importance for the health of the European citizen. I therefore warmly welcome this directive with its inclusion of quality and safety norms for collection, testing, processing, storage and distribution of blood and blood constituents.

I am happy to compliment Mr Nisticò on his report and the way in which he has also improved the structure of the bill. However, on one point I disagree with him. In my view – and this is also the view of Mr Nisticò for that matter – there are two important principles to which we in Europe must adhere and which I have constantly championed, in this House from 1989 and before that in the Netherlands. What are those principles? Besides self-supply within the Union, this is the voluntary and unpaid provision of blood and blood products.

The amendments show that, as regards free provision, it is quite possible to give the donor a small consideration for his/her trouble. Recently there has been much talk about the no-payment principle in particular. I should like to make a few remarks about this. First and foremost, for me the safety of blood and blood products carries top priority. This cannot be overlooked. Voluntary and unpaid donation is a question of safety and not just an act of human benevolence. The safety of blood obtained free of charge is greater in comparison with other kinds of donations – and that has been demonstrated scientifically and not only in my own country.

Should shortages of certain products arise that are needed, for instance, for haemophilia patients, there is absolutely nothing against making up for those shortfalls by importing other blood. If we start meddling with this principle, that will have a disruptive effect on the public bloodbanks which we are familiar with in a number of Member States. Therefore I believe, unfortunately, Mr Nisticò, that in the compromise that you have struck, there has been too much tampering with the principle.

3-424
Lund (PSE). – *(DA)* Mr President, first of all, I should like to thank the Commission for now having led the way by implementing the new provisions in the Treaty of Amsterdam establishing quality and safety standards for, among other things, human blood and blood components. I should also, however, like to thank Mr Nisticò for the work he has put into the report. I think it is a fine piece of work, and I am very pleased that, through the Committee on the Environment, Public Health and Consumer Policy, we are able to help improve the directive. With the improvements proposed by the Committee, we can make for greater safety and ensure blood of a higher quality, from collection right up to distribution. I also think that we shall have some crucial issues settled: firstly, that blood is not a commodity subject to the usual rules governing free trade.

I think that, with regard to self-sufficiency too, it is important for it to be said that, by means of these rules in the individual countries and in the EU as a whole, we can prioritise the issue of self-sufficiency. Blood donated from a country's own population is clearly the best solution, and I would therefore urge all countries to establish large pools of donors who see it as their task, both personally and as members of society, to give blood and plasma to help other people in their own societies. Many countries have already established pools of donors. It can be done in actual fact, and there is therefore no excuse for those countries which have still not established such pools. It is just a question of getting them going. If such a large corps of donors is obtained, so too is a larger quantity of blood and, thus, the opportunity of genuinely becoming self-sufficient in blood of the highest quality. That also leads me to say a few words about the extent to which blood donation should be non-remunerated, which is of course the major issue here. I believe that blood donation should be non-remunerated, as also recommended by the Council of Europe in its guidelines and by the Committee on the Environment, Public Health and Consumer Policy. I think there are two reasons for specifying this. The first reason is ethical. In my view, a person's blood, tissue and organs ought not to be commodities. That is one reason. The other reason is that non-remunerated donation provides blood which is safest and of the highest quality. Countless investigations show that blood donated for no remuneration is of a higher quality than blood otherwise obtained, and I think we have to tell it like it is: a pool of donors based upon voluntary and non-remunerated blood donation is different from a pool based upon remunerated donation. In that connection, I am delighted with the broad support given by the Committee on the Environment, Public Health and Consumer Policy to the Council of Europe's definition of voluntary, non-remunerated blood donation.

There are sectors of industry which have lobbied powerfully against non-remunerated blood donation and, as usual, patients have been elbowed out of the way in the process. I find that unsavoury, and I think that, in reality, industry is quite cynically helping to prevent the ideal situation for patients who have to be given blood, namely that blood and plasma are donated without remuneration and thus from an established and stable body of donors. I think it provides food for thought

that those countries in which there is non-remunerated donation by a large and stable body of donors are also, in actual fact, self-sufficient in blood and plasma.

However, I should like to add to what Mr Nisticò has said by pointing out that I am pleased with the oral amendment to Mr Nisticò's Amendment No 75 and that, in my view, there is no one at all in this House who could dream of putting a patient in a situation in which he was unable to obtain blood or plasma. Naturally, all patients must be able to obtain these, but I believe that we serve patients best by having non-remunerated blood donation and thus securing blood of the highest quality.

3-425
Ries (ELDR). – *(FR)* Mr President, first of all, I too would like to congratulate the rapporteur, Mr Nisticò, for his thorough and excellent report, and for his open-mindedness and willingness to cooperate with the shadow rapporteurs.

This directive is essential. For the first time, it lays down in Community legislation quality and safety standards for blood products, whether they are intended for transfusions or as starting materials for medicinal products. I should also say that it also provides for the free movement of donors and blood products within the Union. I regard the proposal as being both ambitious and satisfactory overall. I would like to add that the main improvements approved by the committee all seek the same thing: to strengthen checking, inspection and monitoring measures throughout the transfusion chain, in order to protect donors from human error and to protect recipients against the risks of being exposed to donated blood that may be contaminated.

Having said that, patients now face another threat: the shortage of plasma and plasma derivates in the Union. That is why the Group of the European Liberal, Democrat and Reform Party is opposed to the absolute and immediate obligation to make donation non-remunerated, that is to Amendments Nos 55 and 56, which, I would like to say in passing, also seem to run totally counter to the whole principle of subsidiarity. I say that first of all because non-remunerated donation is in no way under threat. We have never questioned the principle of voluntary donation or the essential social role played by voluntary donors. So it is not the principle of non-remunerated donation that is being questioned, but compulsory non-remuneration.

I am also and above all opposed to these amendments because they totally disregard the concerns of patients. We consulted in depth patients who are particularly concerned, and here I am using a euphemism, about the ever-increasing dependence on imports of American plasma in particular. This especially applies to haemophiliacs who remember that non-remuneration in no way protected them against viral contamination. We do not want the better to be the enemy of the good here. It is clear and it is vital that blood should not be a source of profit. This is repeated in several places, in several recitals, in the compromise amendment which we have tabled together with the PPE Group. This is an objective imposed on the Member States in accordance with the conditions and timing laid down in Amendment No 75, but making non-remuneration an absolute condition for donating blood would be a disaster for patients, and I mean patients and not industrialists, Mr Lund, because we have had in-depth discussions with haemophiliacs in particular.

What really counts here is that blood should be of the highest quality and the directive ensures this, but what is the use of ensuring quality and safety if the blood is not available? Let me remind you that Europe has 7 million blood donors out of a population of 360 million.

In conclusion, Mr President, that is why I am calling on all the political groups to support this compromise amendment which ensures free access on the part of patients to blood and to medicinal products, both of which each day save thousands of lives.

3-426
Rod (Verts/ALE). – *(FR)* Mr President, we have been waiting for a long time for a directive on blood quality, which is vital to ensure safety for donors and recipients at European level. From this point of view, Mr Nisticò's report, which has been enhanced by various amendments adopted almost unanimously in committee, is a step towards improved human health protection, in particular because it calls for better medical checks on donors and also increases the responsibility of doctors and establishments dealing with blood at all stages, from collection through to storage and including the point at which blood is converted into blood derivates.

As we have seen, there remains an important question on which there is no consensus between us: whether donation should be remunerated or not. We believe that the principle of non-remunerated blood donation is very important, a principle applied in many European countries without leading to shortages, and we cannot accept that this principle should be undermined, for two essential reasons. Firstly, from an ethical point of view, we cannot advocate the idea of selling blood or any body part. The human body is not a commodity. Furthermore, we find it extremely shocking that companies should be able to profit from blood donated without remuneration. Secondly, remunerating blood donation could be counter-productive in terms of quality. Donors attracted by a financial inventive may want to conceal possible health problems, which could have dramatic consequences for their own health and the health of the recipients. Recent

information on the hundreds of thousands of Chinese now affected by AIDS because they have sold their plasma is a tragic illustration of this and we do not want the same situation to occur in Europe tomorrow.

3-427
Müller, Emilia Franziska (PPE-DE). – *(DE)* Mr President, Commissioner, ladies and gentlemen, Mr Nisticò has submitted an outstanding report whose content I fully support. It is essential that this directive creates uniform standards for the safety and quality of blood and plasma in the Member States. To this end, identical procedures for testing blood and plasma must be adopted which comply with the most recent techniques. Trained personnel should ensure the highest safety standards for donors and recipients alike. A transparent system of traceability and labelling will allow blood to be traced from donor to recipient and back. This also helps to minimise the risk of infection.

Voluntary, non-remunerated donation is, and should remain, a basic principle. Unlike Mr Lund, I believe that there is certainly no direct link between non-remunerated and remunerated donation and safety/quality. The key issue is the selection of donors and testing by qualified personnel. However, reimbursement for plasma donors must not be ruled out in the European Union in future. Europe can only cover 50% of its plasma needs. The shortfall is made up from plasma from the US, for which the donors have received payment. The import of plasma from paid donors must not be prohibited by the new directive. This would inevitably lead to supply shortages, which would also affect the manufacture of medicines from these products. Plasma is required to produce vital medicines such as coagulation factor 8 and coagulation factor 7 for haemophiliacs, and immunoglobulins to prevent infection in patients with congenital immune deficiency. A shortage would put many patients' health at risk. I would ask you to bear this in mind when voting.

3-428
Stihler (PSE). – Mr President, the safety and quality of blood products have never been so important. Every week we hear across the EU story after story about this issue. I believe that every Member of the House wants to be reassured with the knowledge that there is a level of safety and quality of blood and blood products throughout the transfusion process in Member States.

For our citizens it means that in the unfortunate situation where, for instance, you have had an accident on holiday and you require a blood transfusion, you can guarantee the quality and safety being the same, whether it is on a Greek island or on a Scottish island. As we all know, the main area of difference between Members has been on the issue of remunerated and non-remunerated blood products. I believe that the preferred option should be that blood is given voluntarily. As the European Blood Alliance outline, voluntary and non-remunerated donations of blood and blood components are considered to be a gift from healthy citizens to those in need. But more importantly, the EU Charter of Fundamental Rights prohibits the making of the human body and its parts a source of financial gain.

We as a parliament, and within the institutions, have consistently advocated voluntary, non-remunerated donations. Evidence shows that the prevalence of viruses and diseases which may be transmitted through blood is higher in those donors who are remunerated than those who donate without receiving payment.

There is, however, one issue which I would like to highlight. That is Amendment No 43. In Scotland and the UK we have a specific issue with CJD. Many haemophiliacs and those with immune disorders depend on blood products from the US, the reason being that in Scotland and the UK we no longer use plasma from UK donors to make blood products because of CJD and rely instead on imports of plasma from the US.

The oral amendment advocated by Mrs Korhola to Amendment No 43 is greatly welcomed. I hope Members will support it tomorrow.

In conclusion, the safety, quality and standard of blood and blood products is an important issue which we have to get right. Perhaps in the second reading the rapporteur could organise outside this Chamber an opportunity for Members to donate blood. After all, as Members, we should lead by example. Giving blood is a positive act of citizenship.

3-429
Bowis (PPE-DE). – Mr President, a friend of mine lives with AIDS and so does his wife because he received contaminated blood in a transfusion and then unknowingly affected his wife. I know the risks and dangers and the importance of quality and safety in our blood supplies. That is why I welcome this proposal, particularly the work of my colleague Mr Nisticò.

But it would be a tragedy if it was spoiled by one amendment, an amendment which exacerbated the known shortages of rare blood groups and plasma. It would be a tragedy in a very real sense because the WHO points out that there are 80 primary immune deficiency conditions in our world and it is estimated that some 50 000 to 90 000 people in our Europe suffer from those conditions. Most are treatable, most people can lead fairly full lives but only if, every three weeks of their life for as long as they live, they have an infusion of immunoglobin which comes from human plasma and that keeps them alive.

Europe uses 7 million litres per annum, and 4 million litres come from compensated donors. Of course we would all prefer all donations to be voluntary. In the United Kingdom they are all voluntary but in the United Kingdom, as we have heard, there is no plasma coming from UK donors for blood products because of the theoretical risk of variant CJD being transmitted by blood. Nor can we take any from other countries in Europe. It does not matter about blood banks or plasma banks in Europe – we cannot take them from countries in the EU where there has been BSE or new variant CJD so we have to look elsewhere, and we and others rely largely on the United States' supplies. The United Kingdom Department of Health has said there are no acceptable alternative sources. Of course, such imports include remunerated donations and there is no evidence at all that they are any less safe than unremunerated ones. Amendment No 43 would ban the import of such literally life-saving plasma and I urge the support of this House for the rapporteur's compromise amendment.

3-430
Trakatellis (PPE-DE). – *(EL)* Mr President, the proposal for a directive setting standards of quality and safety for the collection, testing, processing, storage and distribution of human blood and blood components has come at exactly the right time, given recent developments in the medical and public health sectors. The primary objective in introducing new rules is to update the legislative framework, so that it covers areas not covered by Community legislation, by tightening the requirements for suitable blood donors, plasma and blood tests and creating a Community quality system for blood donation centres.

I should like to highlight two points where I have tried to improve the Commission text – and hence safety – for both the donors and the recipients of blood or blood components. I refer to Amendment No 33, requiring the manager of the blood donation centre to have at least a medical degree, preferably specialising in haematology or some related discipline. The second important point is that blood is in ever shorter supply. In Greece, the demand has increased to the point at which about three in ten patients require blood and, despite the increase in the supply of blood from volunteers, more and more blood has to be imported. The aim of Amendment No 75 is to ensure that the ban on blood donation incentives is not an absolute ban because it is wrong, for medical and scientific reasons, to be dogmatic on such an important health issue. The fact that we want blood donors to be volunteers should not be expressed in absolute terms. We must give the Member States and blood donation centres the facility to offer incentives to cover the collection, testing, storage and distribution of rare blood groups and their components as and where necessary.

I should like to congratulate Mr Nisticò on his really excellent work and to ask the House to vote in favour of Amendment No 75 which, while adhering to the principle of voluntary blood donation, really does give the Member States and blood donation centres the facility to meet any requirements and, medically and scientifically speaking, this is exactly how it should be.

3-431
Korhola (PPE-DE). – *(FI)* Mr President, the dispute in connection with Mr Nisticò's excellent report regarding the remuneration of blood donors is important in terms of its multidimensional, ethical and practical aspects, and a lot more serious than might be inferred from the debate. I tabled an amendment regarding the non-remuneration of donor services together with my colleague, Mrs Grossetête, and the committee adopted it. I appeal to my colleagues to maintain this position now also. Various patient groups and authorities have appealed to us here in Parliament not to allow blood donation to become commercialised. Firstly there is a safety risk. Allowing remuneration will mean the donor profile will change and the overall risk increase: comparative studies show that the state of health of remunerated donors is poorer. The importance of tests has been emphasised here, and that is good. But with HIV tests, for example, there is a certain window period, as it is known, when the virus still does not show up.

There is also an ethical risk. I want to stress that we also have a responsibility for how the rest of the world might imitate our practices. If we permit the trade in what is part of the human body, i.e. blood, we have to remember that the less developed countries will follow Europe's example. This will not only lead to exploitation but increased risks. We already know of a case in China where an absolute catastrophe related to blood quality occurred when blood donors were paid what were for them vast sums of money. In Austria 200 schillings is a nominal amount for the donor, but in Eastern Europe it is a considerable income. Is this what we really want for others and ourselves?

Thirdly, there is the risk of being guilty of inconsistency. Many EU countries have signed the Convention on Human Rights and Biomedicine, which categorically prohibits the financial exploitation of the human body and its parts, including blood.

I do not dispute the need for plasma, and its shortage is very much a reality. It is nevertheless intellectually dishonest to open up this whole area to market forces just because there is a shortage of plasma. Amendment No 17, however, makes adequate guarantees regarding the possibility of reimbursing costs incurred in donating plasma including travel expenses, and of offering compensation for lost working time. At the same time I would like to ask my colleagues to support the oral amendment I intend to propose for Amendment No 43. It would allow exceptions to be made in cases where the plasma shortage really is an insurmountable problem.

3-432

Doyle (PPE-DE). – Mr President, there are two principal issues here: one is an adequate supply and the second is a safe supply. For the hundreds and thousands of haemophiliacs and all those patients with the whole range of immunodeficiency diseases, these are life threatening issues which they are faced with on a daily basis. While I agree – and no one disagrees in this House – that we must foster a culture of voluntary donations as the norm, as the ethos, in all our Member States, I plead with this House not to specifically exclude paid donations. Let us not exclude them for the rare blood groups and for the very scarce plasma and plasma products if they are needed to pay to ensure adequacy of supply.

It is not a question of 'if there is a shortage of supply'. There is one already. Today 40-50% of plasma products used each year by European patients come from plasma donors who are compensated for their time and inconvenience for this lengthy process. These plasma products, particularly in the UK and Ireland, are largely imported from the US from paid donors.

The amendments to this directive, which were voted and passed by the Environment Committee, will have a major impact on public health. They will prevent the remuneration of donors in any circumstances and preclude importation of plasma and plasma products from paid donors. There is no longer any public health justification for imposing an absolute requirement for all donations to be non-remunerated. This was the case in the seventies and eighties but it is no longer with our screening and sterilisation process.

Commissioner Byrne, I would like to put a question specifically to you and maybe you could answer it in your reply: do the amendments which were passed in the Environment Committee violate EU law, particularly various sections of Article 152? I draw your attention to Article 152(5) which prevents Community action from affecting national provisions on the donation of blood. Do the amendments actually violate EU law? The doctors' organisations, the patients' organisations throughout Europe are pleading with us not to specifically exclude paid donations.

I congratulate Mr Nisticò on his excellent work and I commend Amendment No 75 which gets the balance right.

3-433

Oomen-Ruijten (PPE-DE). – *(NL)* Yes, Mr President, I must put the record straight on one count. I was approached by the Netherlands Haemophilia Patients' Association to hold on to the no-payment principle, and that means, therefore, that fellow MEPs who have argued otherwise, are certainly in favour of safety and are also acting on behalf of their patient groups.

3-434

Byrne, *Commission*. – Mr President, let me first say that I am very grateful for all the work on this important and ambitious directive. Important, as it constitutes our first directive based on the new and strengthened provisions in Article 152 of the Treaty, and ambitious, as a crucial element in our overall health strategy.

Before I turn to the details of the directive on the table today, let me pay tribute to the successful and valuable work of the Council of Europe in the area of blood safety. Our proposal for a directive builds on these achievements.

This new directive will cover blood and blood components not considered medicinal products in so far as it will ensure a comparable level of quality and safety throughout the blood transfusion chain in all Member States. In addition, the directive lays down provisions at Community level for a quality system for blood establishments and for the training of blood establishment staff.

I am pleased to note that the amendments debated today in general are very supportive of the basic approach of the Commission to issues related to blood safety and the way these should be addressed at Community level. I appreciate the very valuable contribution of the European Parliament. A greater part of the amendments constitutes improvements, clarifications, and useful additions to the text and I thank Mr Nisticò and all his colleagues for their contribution.

We can accept in full 29 amendments. There are in addition a further 23 amendments which include valuable ideas that we can endorse, but which, as drafted, are not fully acceptable. This is either because they contain specific points of substance which conflict with the approach of the directive, or because they raise legal or technical difficulties.

With so many amendments. it is not feasible for me to make specific comments on each of them. I will therefore concentrate on four key areas, where there are several amendments which we cannot accept, and where I believe that some clarification of the Commission's position will be helpful.

First, ethical questions. We all agree that the principle of voluntary, non-remunerated blood donation is of a very high ethical value. As Mrs Stihler said, the EU charter of human rights demands that no financial gain shall be made from parts of the human body as such. Therefore I welcome, and will actively support, any contribution the Community can make to achieve comprehensive application of this principle. But we have to carefully analyse all aspects of the issue.

I am determined to ensure that this new directive will not unwillingly contribute to shortages of life-saving therapies. The supply of blood and blood derivatives, such as plasma-derived drugs, is a matter of life and death for many patients, as many of you have said. Much of the plasma used for these drugs in Europe does not come from donations which can be considered 'voluntary, non-remunerated' in the strict sense of the words, and it is difficult to see how these donations could be replaced in the short term. There is a clear danger that a ban on them might result in severe shortages of these products.

Consequently I consider it premature to effectively ban any donation which is not fully in line with the definition of 'voluntary, non-remunerated donation' provided for in Amendment No 17 and to this extent I agree with Mr Nisticò and with the contributions from Mrs Ries, Mrs Müller, Mr Bowis and Mrs Doyle. I endorse their views and I accept what they said in relation to this issue.

In addition, I have doubts about the legal basis for a provision determining the way donations should be carried out, and this issue was also raised by Mrs Doyle. Article 152 of the Treaty does not allow the Community to adopt measures which 'affect national provisions on donation'. Whether an obligation to accept voluntary donation only can be justified in terms of increased safety seems questionable. Particularly in the field of plasma-derived products, safety nowadays depends far more on sophisticated screening tests and inactivation steps. Such a provision might therefore be challenged before the Court of Justice due to lack of an appropriate legal basis or on the grounds of subsidiarity.

For these reasons, I can only partly accept Amendments Nos 55 and 56. As already indicated, I am prepared to discuss any solution that would make it clear that a comprehensive application of the principle of voluntary, non-remunerated donation is a central long-term aim of the Community.

Amendments Nos 1, 3, 7, 8, 12, 60 and 61 aim to introduce declarations or requirements of enhanced ethical standards in one way or another. All of them are certainly worthwhile discussing and studying in detail, but from our point of view they are not really suitable for this directive, because they are either not directly linked with its objectives or do not have a legal basis in the Treaty.

Some of you said that remunerated donations have a greater risk from a safety point of view. Many of you referred to studies. All the advice I receive is that these are old studies. All of the modern studies run to the contrary. In view of the fact of what I said earlier in relation to other safety measures like screening tests and inactivation steps, these provide the degree of security that is necessary having regard to this particular debate. It was also suggested that if we did have a shortage of supply, that this could be replaced by imports, but I have to point out that the imports will be from remunerated sources, so this undermines the very purpose that people wish to achieve.

Mrs Ries also mentioned that she had been contacted by haemophiliac associations and indeed some others made the same point. I should say that my services and I have also been contacted by haemophiliac and other associations urging us not to go down the route of eliminating from the chain donations from remunerated supply. I would urge Parliament to take this very much to heart when considering voting on this issue tomorrow and to follow the views that I am expressing on this. I fully endorse and fully agree with the views of many of you who have already spoken on this issue.

The next issue I want to touch on is the scope of the directive. The last part of Amendment No 13, together with Amendment No 72, aims to extend the scope of the directive to the collection and testing of blood and blood components as starting material for medicinal products. The Commission can accept this in principle, but legal clarity has to be maintained as to the respective fields of application of this directive and Directive 89/381/EEC on blood and plasma derived products. Therefore, it will be necessary to review the wording of both amendments in the light of the final compromise to be agreed with the Council.

Other amendments introduce the term 'blood derivatives' into the text of the directive; this cannot be accepted, because it might lead to confusion with 'medicinal products'.

Let me be clear: Everything made from blood and used in human therapy should fall under either this directive or the existing Directive 89/381/EEC. If any doubts exist the Commission will reconsider the definitions used.

The third point relates to the technical standards. The rapporteur has proposed to remove the technical annexes from the directive, and to adopt technical standards later by comitology.

I appreciate this approach and I am very grateful for the trust in the work of the Commission shown by this move. Members of Parliament will know that this is an issue that I have spoken on before in Parliament and I am particularly pleased that this approach has been adopted on this occasion. If the Council can accept this solution, my services will immediately start to draw up proposals for technical standards in order to ensure that they are adopted before the directive comes into force.

Let me also reassure you that my services will not try to reinvent the wheel when preparing the regular adaptation of the technical standards according to scientific and technical progress. We will fully use the pioneering work of the Council of Europe.

To add to and further complicate these procedures would not be feasible in an area where quick decisions may have to be taken to protect public health. For this reason, I can only partly accept Amendments Nos 68 and 71, and I cannot accept Amendment No 69.

Amendments Nos 39 and 41, which refer to another directive or ISO standards as reference for standards introduced under this directive, cannot be accepted. When proposing updated standards, the Commission will take into account all relevant external and EU standards by default. To mention some at the expense of others could cause legal problems in the application, or force the Community to apply standards established outside its legal framework.

We are also unable to accept Amendment No 22 introducing a definition of traceability, which in my view is not only too general but also not covered by the Treaty. Amendment No 44, introducing a universal donor identification system, which is both costly and over ambitious and unnecessary, is not acceptable either.

Finally, the qualifications of blood establishment staff. Amendment No 33 would restrict the qualifications of the 'responsible person' to that of a medical doctor. This is too restrictive and cannot be accepted. The 'responsible person' is, according to the proposal, charged with administrative and management tasks in relation to the application of the directive, and does not have medical responsibilities *per se*. But again Member States are free to impose further demands as to the qualifications of the 'responsible person'.

In summary, for the reasons I have set out, 19 amendments are not acceptable. These are Amendments Nos 1, 3, 6, 7, 8, 12, 19, 20, 22, 30, 33, 39, 41, 44, 47, 60, 61, 69 and 73. 52 amendments are acceptable in full or in part.

The following 23 amendments are acceptable in part: Amendment Nos 2, 5, 10, 13, 14, 15, 17, 21, 27, 28, 32, 35, 43, 46, 55, 56, 62, 66, 67, 68, 70, 71 and 72. The remaining 28 amendments can be accepted in full, including Amendment No 75, the so-called 'compromise amendment'.

Let me, finally, repeat my appreciation for all the constructive work done by the rapporteur and the committee and indeed all of you present. Many of the amendments will improve the proposal. And for those elements where difficulties remain, the Commission is ready and willing to assist in finding solutions quickly. Indeed, the fact that the Commission can accept in whole or in part 52 of the 71 amendments shows our willingness to take on board Parliament's substantial policy contributions and our confidence that together we will be able to bring forward this important objective and have it adopted as quickly as possible.

3-435
Lund (PSE). – *(DA)* Mr President, I shall make this very brief. The intention seems to be that this House should have a debate on blood at about midnight when the werewolves are out, but be that as it may, at precisely midnight, I heard Commissioner Byrne say – but it may have been an error of interpretation, which is why I should like to have it repeated – that he did not believe that blood from stable and voluntary pools of donors, familiar to us from a number of Member States, was safer and of a higher quality than that obtained from people who supplement their income by donating blood. I am shocked that this is how the Commissioner for Health and Consumer Protection views the situation, so I hope that he will deny having said these words. It is absolutely certain that blood from a voluntary and stable body of donors who readily make their blood available to their fellow members of society is of a better quality than blood obtained from people wishing to supplement their income in this way.

3-436
President. – I would ask you not to reopen the debate, because at the moment the most you can do is ask for clarification or ask the Commissioner a question.

You have the floor, Commissioner.

3-437
Byrne, *Commission*. – Mr President, I would be very sorry to shock Mr Lund and, if I can explain my thinking on this, perhaps it might relieve your concerns.

Rather than put it the way you put it, I would say that it does not necessarily follow that blood from a remunerated source is any less safe than blood from an unremunerated source and the studies that have been produced more recently on this issue tend to support that proposition.

Reference has been made to some studies that go in the other direction, but my advice is that those studies are old studies and the more modern view is in accordance with the view that I have just expressed.

3-438
Nisticò (PPE-DE), *rapporteur. – (IT)* Mr President, I would like to corroborate what Commissioner Byrne has just said, with great authority, gravity and professionalism. Whether the donation is voluntary or not does not affect safety. Safety – and Mr Trakatellis, another man of science, has confirmed this – depends on the quality and sophistication of the tests. Today we are concerned about prions because there are still no very advanced tests: there has only been one article published in *Nature*. I hope that soon, through the flexible and rapid updating mechanism, those tests too can ensure safe blood, but certainly that does not depend on whether a donor is a volunteer or receives an incentive.

3-439
President. – Thank you very much, Mr Nisticò.

The debate is closed.

The vote will take place tomorrow at 12 noon.

(The sitting was closed at 12.13 a.m.) [4]

[4] *Agenda for next sitting*: see Minutes.