

## WEDNESDAY, 6 OCTOBER 2010

### IN THE CHAIR: JERZY BUZEK

*President*

*(The sitting was opened at 15:00)*

#### **1. Resumption of the session**

**President.** – I declare resumed the session of the European Parliament adjourned on Thursday, 23 September 2010.

#### **2. Approval of the minutes of the previous sitting: see Minutes**

#### **3. Statements by the President**

**President.** – On Monday, Hungary experienced the greatest disaster in the country's history. A spill from a reservoir containing highly toxic red sludge cost the lives of at least three people. Many hundreds have been injured. On behalf of the European Parliament, I would like to express our solidarity with the families of those who have died and with those who have suffered.

Ladies and gentlemen, fellow Members, tomorrow is an important anniversary – the fourth anniversary of the assassination of Anna Politkovskaya. We remember that she devoted her life to uncovering the truth about the situation in the North Caucasus. We know how important independent journalism is in every society. We honoured Mrs Politkovskaya's determination in the fight for freedom of speech and the press by giving her name to one of the rooms in our press centre in Brussels. While remembering her sacrifice, we do not forget, either, the sacrifice made by others: Natalia Estemirova, Anastasia Baburova, human rights lawyers, Stanislav Markelov and Sergei Magnitsky, and many others. Those responsible for their deaths have still not been apprehended. We encourage the Russian authorities to demonstrate full commitment to ensuring the rule of law and to bringing an end to the climate of lawlessness and impunity in the region of the North Caucasus.

*(Applause)*

On 10 October, we will observe World day against the death penalty. I reiterate the appeal of the European Parliament for a moratorium on the use of the death penalty to be introduced in all countries of the world. Death can never be an act of justice. We welcome the changes in this respect in such countries as Russia, Burundi and Togo, but, unfortunately, death sentences are still being carried out in Japan and the US.

We believe that public debate in these democratic countries can contribute to a change in this situation. However, we are concerned most of all by the number of death sentences being carried out in countries such as China and Iran. We appeal to the governments and to the authorities of these countries to stop using practices of this kind.

*(Applause)*

#### **4. Composition of committees and delegations: see Minutes**

**5. Oral questions and written declarations (submission): see Minutes**

**6. Texts of agreements forwarded by the Council: see Minutes**

**7. Action taken on Parliament's positions and resolutions: see Minutes**

## **8. Order of business**

**President.** – The final version of the draft agenda as drawn up by the Conference of Presidents at its meeting of Thursday, 23 September 2010, pursuant to Rule 140 of the Rules of Procedure, has been distributed. By agreement with the political groups, I would like to inform the House of proposals to make the following changes:

*(The majority of the political groups and, in some cases, even the decided majority, was in favour of these changes)*

*Wednesday*

Addition to the agenda of a new item: statements of the Council and the Commission on the social provisions of the Treaty of Lisbon, after the joint debate on biodiversity.

Withdrawal from the agenda of the oral question on containers lost at sea and compensation.

*Thursday*

Voting time will begin at 11.30.

Withdrawal from the agenda of the vote on the report by Mr Maňka on the draft amending budget No 2/2010, part 2, because the Council has not adopted a position on this matter, and so the debate cannot be held.

**Corien Wortmann-Kool, on behalf of the PPE Group.** – Mr President, the EPP always welcomes good and thorough discussions on social topics during our plenary sittings, but they have to be well prepared.

That was the reason why it was initially decided by a majority decision in the Conference of Presidents that the proposal from the Social Democratic group to discuss services of general interest in the Lisbon agenda and public services in the Lisbon Treaty be discussed first in the Committee on Employment and Social Affairs. We are in favour of this because it is a very complicated topic.

I understand that the title has changed and that the Liberals have changed their position, but the substance is still very complicated and we still want this to be discussed first in the Committee on Employment, because it is a very important and complicated discussion. We do not want to oppose it, but this is the reason why we will abstain in the vote on this topic.

**President.** – Thank you, Mrs Wortmann-Kool, for your explanation. This means that this item is entered on the agenda, but that the Group of the European People's Party (Christian Democrats) has abstained from voting. The majority of the other political groups wanted this item to be included in the agenda.

*(The order of business was thus established)*

*(The sitting was suspended for a few minutes)*

## **9. Formal sitting - Timor-Oriental**

**President.** – Welcome to the European Parliament, Mr President. Welcome once again after 18 years.

The next item is the address to be given by the President of the Democratic Republic of Timor Leste, José Ramos-Horta.

It is a great privilege and pleasure for me to welcome President José Ramos-Horta. Some of you in this Chamber remember his visit of 18 years ago. He spoke, then, about the situation in Timor Leste in our Subcommittee on Human Rights. At that time, a free Timor Leste was still in the realm of plans and only a few courageous people, leaders of the opposition, were able to promote such visionary plans. As a representative and active member of the opposition, he was, to us here in the European Parliament, the foremost propagator and visionary of a free Timor. There was a five-point peace plan: withdrawal of the Indonesian military, restoration of human rights, release of political prisoners, deployment of United Nations forces and, finally, a referendum, planned for 1999. The democratic community approved this great plan. In 1996, President José Ramos-Horta and Carlos Felipe Ximenes Belo were awarded a Nobel Prize, and three years later, the current Prime Minister of Timor Leste, Xanana Gusmão, was awarded our own Sakharov Prize.

In 1999, the referendum in Timor Leste brought a result which was in favour of Timor's independence. This was the start of the difficult road towards eliminating poverty and facilitating reconciliation in Timor Leste, which was not easy, and also towards establishing credible institutions and, ultimately, working on behalf of the citizens and developing civil society. The European Parliament strongly supported the work of the President and the authorities of Timor Leste. Full rights of independence were restored three years later, in 2002. The vision and experience of Mr Ramos-Horta are important, and not only in Timor Leste. Today, Mr Ramos-Horta travels and visits many developing countries in many continents and shows people that there is a road, that there is a way out for poor countries, and that they can start again and ensure their citizens a better life and a better future.

Mr President, it is with great pleasure that I give you a warm welcome, and I would like to invite you to speak.

**José Ramos-Horta, President of the Democratic Republic of Timor Leste.** – Mr President, ladies and gentlemen, I will start by remarks in English, and then I will switch to Portuguese, and then back to English.

I would be able to address you in five of the European languages, but I will not do that because I will get confused myself, so I will stick to two: English and Portuguese.

I am grateful for the privilege to address this august institution, the embodiment of Europe's rich cultural diversity and its democratic political culture and institutions. My admiration for Europe and for the institutions you have created, for the road you have walked from disunity, rivalries and wars to unity, partnership and peace, democracy, inclusion and prosperity, as well as for your deep belief in solidarity among peoples, led me as a Nobel Peace Prize Laureate in 2008 to nominate the European Union and the European Commission for the Nobel Peace Prize.

At one end of the globe, there is the overwhelming influence and shadow of the only surviving superpower. At the other end, there is Asia, with the shadow of two emerging Asian giants looming over the rest of the region. In between, there can be the European bridge – a bridge that could connect all in a new partnership for peace and prosperity. This Europe of inclusion extends from the beautiful Atlantic coast that bathes Portugal to the edges of the old continent where Asia begins.

As I speak here, I am particularly grateful to this august institution, to many of its esteemed Members, to the European Commission and, in particular, to its President, our friend José Manuel Durão Barroso, who has stood behind us for over three decades in our long quest for freedom.

As a young politician and diplomat, first as Secretary of State, then as Foreign Minister and later as Prime Minister of Portugal, he was a wise and passionate advocate for Timor Leste, as he was also for Africa, Asia and Latin America.

But I would fail in my duty if I were not to thank the many other Members of the European Parliament, some of whom are no longer here because of the irreversible ageing process from which none of us can escape.

What we found in this institution from all spectrums, from left and from right, was that you gave us a forum when nowhere else gave us a voice to speak.

It was, for instance, the Portuguese Members of the European Parliament from all parties who, in the 1990s, gave a portion of their own salaries to the person who is today our Foreign Minister, Dr Zacarias da Costa. He was here for five years as a representative of the Timorese resistance, and it was the Portuguese Members of the European Parliament from left and right who every month would give us some financial assistance to keep an office going here in Brussels.

It was also this institution that gave us for the first time anywhere in the world a pass, an identity card, representing Timor Leste in Parliament to advocate the cause of Timor Leste.

So, in coming back here, I come with an immense sense of gratitude to all of you.

Allow me to turn now to Portuguese, and I will address the issue of the Millennium Development Goals, how we are doing in my country, and what we expect the international community to do to assist us and others.

(PT) Timor Leste was not an independent country in 2000 and only when we submitted our first report on the Millennium Development Goals in 2004 did we set the first targets to be achieved.

In the last three years, Timor Leste has been truly living in peace, which has enabled robust economic growth of more than 12% per annum; a 9% reduction in poverty levels over the last two years; a reduction in infant mortality and mortality in children younger than five years of age, with the targets set for 2015 even being hit already; school enrolment increased from 65% in 2007 to 83% in 2009-2010; and adult illiteracy is being gradually eliminated thanks to a joint programme between Timor Leste and Cuba.

We anticipate the eradication of illiteracy in Timor Leste within two or three years from now. Around 30% of the country's budget is being allocated to public health and education. This turnaround is the result of aggressive public financing of social programmes such as

direct money transfers to older people, widows, the disabled and veterans, as well as determined efforts in expanding cultivated areas and increasing food production.

We are finalising the road map for our 2010-2030 strategic development plan, which will enable us to free our people from centuries of poverty and increase their standard of living to upper middle class level by 2030.

Regarding the management of our oil resources, I am pleased to be able to note that in its report of 1 July 2010, the Extractive Industries Transparency Initiative classified Timor Leste first in Asia and third in the world as regards the strength, transparency and effectiveness of management of the profits from gas and oil.

Around 30% of the members of our Parliament are women. In the executive, we have female heads of key ministries such as Finance, Justice, Social Solidarity, etc., and a female Public Prosecutor of the Republic. We have a permanent Youth Parliament, with 130 members who have just been elected across the country. The young people elected to this Parliament are aged between 12 and 17. We always wanted there to be a gender balance in the Youth Parliament. Nevertheless, our expectations were exceeded: the Youth Parliament is made up of 68 female members and 62 male.

Timor Leste is proud to have adopted one of the humanistic constitutions in the world, in which the death penalty is banned and the maximum prison sentence is 25 years: we do not have life sentences. We have ratified all the main international human rights treaties. We have already submitted two reports on the treaties to the relevant institutions, and we will continue to invest our efforts in even further reinforcing respect for human rights, for freedom and for dignity for all. Our constitution recognises the primacy of international law over national laws; in other words, our laws must be in line with international law.

With your permission, I will now switch to English.

I will now address the issue of climate change – obviously, very superficially, because of the time constraints here.

While it is a fact that the rich and powerful contributed most to the deteriorating world environment, we acknowledge that the advance of science, technology and industries in the last 200 years has brought enormous benefits to all, even if those benefits have been distributed in an unequal manner.

But we in the developing world should not put all the blame on the rich and powerful for the harm done to the planet. We must acknowledge our share of responsibility in the destruction of our forests, lakes, rivers and seas. Asia has no less responsibility than the US and Europe to reverse the climate calamity. We are almost half of the planet's inhabitants. This alone means that we put enormous pressure on the land, minerals, forests and water. To modernise our economies and improve the lives of hundreds of millions of the poor in Asia, we are using increasingly more energy extracted from planet Earth. Many of the emerging powers of Asia are also now crossing oceans, searching for energy elsewhere – in Africa and Latin America.

Therefore, Timor Leste – working together with the Maldives, two of the smallest countries in Asia – calls for an Asian common agenda on sustainable development anchored on environmental protection and recovery, on land and water management, health and education for all, and on the elimination of poverty and illiteracy.

I have an appeal to the rich and the powerful. The rich and the powerful should ask themselves whether they have delivered on the pledges made in front of TV cameras and whether past policies have been effective in addressing underdevelopment and extreme poverty.

All too often, leaders of the developing countries are blamed for the lack of improvements in the lives of our people, in spite of the generous development assistance we supposedly have received from the rich.

But donors should also make an honest and critical analysis of the policies. We know there is a genuine sentiment of solidarity from men and women in the streets – in the US, Europe and Japan – towards their fellow human beings in poorer regions of the world, but donors must also streamline the lengthy, onerous, superfluous, wasteful, redundant and bureaucratic paperwork that drowns and discourages anyone in our countries.

*(Applause)*

Donors must invest more of every dollar they pledge in rural development, agriculture, food security, water and sanitation, roads, health and education. To strengthen national institutions and the democratically elected leaders, donors must provide more direct sectoral budget support to enable them to deliver services and development to the people.

It is disheartening that only a handful of rich countries have met the target of 0.7% of gross national product for development assistance. At the same time, generous pledges made in the spotlight of international conferences – side by side with movie stars and rock singers – are largely forgotten the moment the Hollywood curtains fall and the floodlights are turned off.

It is even more disheartening to see how quickly tens of billions of dollars are easily found to rescue failed banks, insurance companies, fraudulent real estate agencies and obsolete auto industries, and how tens of millions of dollars in bonuses are paid to incompetents and crooks responsible for the financial debacle – and yet decades of appeals to the rich to increase foreign development assistance have been met with much resistance.

We believe that one wise and fair way to assist countries suffering from the consequences of the financial meltdown is to write off the debt owed by the LDCs and Small Island Developing States and to restructure the debt of the debtor countries that are facing enormous internal and external challenges – such as instability, climate change and extremism – in many parts of the world, particularly in South Asia and the region of the Great Lakes of Africa.

Timor Leste is privileged in that we do not have a single cent in foreign debt, so our appeal to you is not motivated by self-interest. Actually if you open the economies yearbook of 2010 – the pocketbook version – you will find some interesting data there. Timor Leste today has the highest surplus in the world as a percentage of its GDP and not a single cent in foreign debt. Nevertheless, we feel in solidarity with those countries that for decades have incurred debt which they are today unable to pay and which entraps hundreds of millions of people in the world. If it has been possible to mobilise billions of dollars almost overnight to rescue failed banks and insurance companies, then there must also be the moral obligation and political wisdom to find the much smaller amount to meet the obligations of the developed countries towards the poor in the third world, to ratify some of the imbalances that are pervasive in the world today.

As I speak here today with a deep sense of gratitude to you – to the European Parliament, to European leaders and to all our development partners – I wish with humility also to acknowledge our own failings and our limitations. We in Timor Leste, and in much of the developing world, should not reverse roles by lecturing the West – in retribution for the West having lectured us for decades – but should also look at ourselves in the mirror and answer our own questions from our conscience. What have we ourselves done to lift the hundreds of millions of our people from extreme poverty? We can do that. We can all do better, in Timor Leste and elsewhere.

We have made tremendous progress in the last three years. Our country has only been independent for eight years. I have shared some of the figures with you, but there are many other areas of achievement that are not quantifiable. They are not measurable, but they are equally important. We have been able to heal the wounds of our society, reconcile separate communities and heal the wounds between us and Indonesia with which we share a tragic history of 24 years. Today, Timor Leste and Indonesia enjoy the best possible relationship of any two neighbours. We have been able to build bridges with the entire region. We have established diplomatic relations with more than 100 countries. These are non-quantifiable, non-measurable achievements. Our people, in spite of the profound wounds of 24 years of occupation, do not harbour resentment towards anyone.

These are our beliefs and our convictions. We are determined to live up to the expectations of our people and lead them towards a peaceful and prosperous future.

May God, the Almighty and the merciful, bless us all.

*(Applause)*

**President.** – Thank you very much, Mr President.

Eighteen years ago, as leader of the opposition in East Timor, you showed great courage and great vision. Today, you are the President of a free, democratic, independent country.

Congratulations to you, Mr President, and all the best to your country and your people. Thank you for your speech.

*(Applause)*

## IN THE CHAIR: ROBERTA ANGELILLI

*Vice-President*

### 10. World day against the death penalty (debate)

**President.** – The next item is the Council statement, on behalf of the Vice-President of the Commission/High Representative of the Union for Foreign Affairs and Security Policy, on the World day against the death penalty.

Before giving the floor to Mr Chastel, I will read an excerpt from a letter addressed to MEPs by the children of Sakineh. This was sent to me through AKI International specifically to coincide with the debate on the World day against the death penalty.

Here is the extract: ‘We would like to thank you for your efforts and the attention that you have given to the case of our mother Sakineh. We would first like to ask for your moral support. Our only hope remains the international community and, for this reason, we would like to ask the European Parliament to intervene in a decisive fashion with all the

instruments that it has available to it, to help our mother. We beg you not to abandon us and to listen to our request for help. Lastly, in the hope that primitive punishments, such as stoning and hanging, will be eliminated for ever throughout the world, we send you our warmest greetings.'

**Olivier Chastel**, *on behalf of Catherine Ashton (Vice-President of the Commission and High Representative of the Union for Foreign Affairs and Security Policy)*. – (FR) Madam President, ladies and gentlemen, as the President has just said, I speak before this House on the World Day and also the European Day against the Death Penalty on behalf of the high representative, Baroness Ashton.

As you know, the picture of the use of the death penalty in the world is still a mixed one. On the one hand, the vast majority of states today are in favour of its abolition, either in law or in practice, and it is encouraging to see that the number of such states continues to grow. Indeed, we are seeing a strong tendency towards abolition and the restriction of capital punishment in most countries.

On the other hand, the number of executions and the procedures in place for using the death penalty around the world are unfortunately alarming: the 5 679 executions reported in 2009 were 5 679 executions too many. And with 58 countries and territories still using the death penalty, our work is far from finished.

Furthermore, we all know that wherever capital punishment remains in force, there are serious problems with regard to respect for international rules and standards, especially with regard to limiting the death penalty to the most serious crimes, excluding juvenile delinquents from its scope of application and guaranteeing a fair trial.

The conclusion is clear: there is no room for complacency in the matter. Therefore, we must use every available means, including diplomatic channels and public awareness, to achieve our goal, and that is why the High Representative has made the European Union's action for the abolition of the death penalty a personal priority.

What does this mean in practice? The future European External Action Service will undoubtedly be able to rely on the fact that the European Union is already today the leading institution in the fight against the death penalty, but the service will also stand as our best opportunity for fulfilling our potential.

It will notably strengthen our ability to speak as one, giving us the opportunity to engage and bring together all the instruments available in Europe for the fight against the death penalty.

Moreover, the European Union is also continuing to improve the way that it joins forces with other international and multilateral organisations that work for the abolition of the death penalty.

The resolution calling for a moratorium on the use of the death penalty under the 65th United Nations General Assembly this autumn should reflect progress towards universal abolition. It should reinforce and extend the tendency towards abolition that we are seeing in every region of the world. Close cooperation between the European Union and the Council of Europe is another asset in our fight against the death penalty.

In this regard, and as a very specific example, we are going to join our efforts to encourage Belarus to abolish the death penalty, especially by organising joint events in Minsk during this World Day.



Ladies and gentlemen, because we fundamentally believe that the abolition of the death penalty is essential to the protection of human dignity and to respect for human rights, we oppose the use of capital punishment in all cases and under all circumstances, and we will continue to call for its universal abolition.

Universal abolition is, and will continue to be, a key priority of our external action on human rights and so I reaffirm here, on behalf of Baroness Ashton, our determination to keep the European Union at the fore in the fight for the universal abolition of capital punishment.

**President.** – I must clarify that, on the basis of a proposal from the Conference of Presidents, a debate will take place with only one speaker per political group. Therefore, it will not be possible to take the floor under the catch-the-eye procedure. This is a shame, because the debate is very important.

**Eduard Kukan, on behalf of the PPE Group.** – Madam President, the European Union is based on values and the respect for human rights, which need to be continuously defended and protected worldwide. The right to life lies in the very foundation of them. The World day against the death penalty reminds us that there are still countries in the world that continue in the practice of capital punishment. It is the reason why we need to continue in our efforts and step up the struggle against this practice.

Robust opposition by the EU against the death penalty puts us in the forefront of this struggle. Since the European Parliament is the first EU institution to engage in this effort, it is our duty to influence other states in order to reach a universal abolition.

For the European People's Party, the fight against the death penalty worldwide is a key priority of our external human rights policy. The EU should continuously raise awareness on this issue and support initiatives which could lead to universal abolition.

Saying that, I would also like to call on the High Representative, the Commission and the Member States to keep encouraging the countries that have not ratified the Second Optional Protocol to the International Covenant on Civil and Political Rights to do so. Those Member States that did not ratify Protocol 13 to the European Convention on Human Rights should do this as well.

I regret to say that Belarus is the only country in Europe which still applies the death penalty in practice. We should make every effort to change this situation. Equally, the EU should constantly raise awareness on the abolition of the death penalty, both in bilateral negotiations and in international fora.

In conclusion, the EU has to be an inspiration to the rest of the world. Only a few days before the World day against the death penalty seems like the right time to reaffirm this as our position.

**Ana Gomes, on behalf of the S&D Group.** – (PT) Belarus, China, Iran, Saudi Arabia and Sudan: what do these countries have in common as regards respect for human rights and fundamental freedoms? They continue to share a primitive and abominable practice: the death penalty. Some countries use this barbarous method in secret, without even making their statistics on capital punishment public, such as China, Egypt, Iran, Malaysia, Sudan, Thailand and Vietnam. Only one Member State of the European Union still retains national legislation permitting the death penalty for certain crimes under exceptional circumstances,

and in this resolution, Parliament is calling on Latvia to take urgent steps to repeal this legislation.

It is Parliament's view that the European Union should make use of every opportunity to promote abolition of the death penalty, in particular, at bilateral and multilateral summits and meetings, and especially at the United Nations; when negotiating international agreements during official visits; or during dialogue with third countries within the framework of external action, cooperation and financial assistance policies. It is important for the Member States of the European Union to strive for the application of the Resolution of the United Nations General Assembly on the universal moratorium.

The High Representative, Baroness Ashton, should instruct the European External Action Service to actively promote the universal abolition of the death penalty. There is still a long way to go. Despite everything, today there are already 154 countries that have abolished the death penalty in law or in practice.

European Union delegations must include an adequate number of officials specialised in human rights and dedicated to pursuing the universal abolition of the death penalty. I call on the High Representative to promote a system for identifying all EU citizens sentenced to death in any country of the world and to mobilise all efforts to save them from execution. As regards the EU's domestic policy in this area, Parliament hopes that the review of European Union directives on the death penalty planned for next year will be brought about quickly.

Externally, the Union must not just comply with its obligation under the Charter of Fundamental Rights to ensure that no one is deported or extradited to a country in which they run the risk of being subjected to the death penalty, but must also make sure that no information sent to third countries within the framework of international agreements on data exchange puts anyone at risk of being sentenced to death.

In this resolution, the European Parliament makes clear its disgust at the most brutal forms of carrying out this type of punishment, such as stoning. This resolution includes the names of some men and women who are on death row in their countries: may the light of civilisation and compassion save their lives. This House therefore calls on the Commission to use every means to act and save them.

**Marietje Schaake**, *on behalf of the ALDE Group*. – Madam President, it gives me great pride that the European Union, as a community of values where the death penalty is abolished, is strongly committed to act as a global player on the abolition of the death penalty everywhere.

In negotiations with candidate Member States and in our dialogues with other countries, whether it is the United States or whether it is Iran, we consistently push for the abolition, *de jure* or *de facto*, of this most inhumane punishment. The impact of the death penalty in preventing crime is not even proven. Therefore, its practice is even more contested. While there should not be impunity for the most serious crimes, the death penalty in and of itself constitutes a human rights violation according to the right to life, as declared in the Universal Declaration of Human Rights.

We believe in prosecuting crimes under international law, but always under fair trial and with due process. Too often, this is not the case and, in any case, the United Nations has established that drug-related crimes do not qualify as the most serious crimes.

The United Nations has also spoken out in favour of a moratorium on the death penalty, and this is an important statement. At the same time, the UN is struggling for its credibility when Iran is among the members of the Women's Rights Council.

The EU should still speak with one voice and operate more strategically when it comes to addressing important human rights topics, such as the abolition of the death penalty.

Today, the China-EU cultural summit is taking place here in Brussels as we speak. This important step should be applauded, but at the same time, we cannot overlook the fact that China holds the record for the highest number of death penalties, the true number of which we do not even know, due to a lack of transparency and the fact that certain people are qualified as non-people. China is beaten only by Iran when it comes to the execution of juveniles, and killing children cannot be justified under any circumstances. A celebration of culture reminds us of the essential freedom of expression, but too many people across the world are subject to the death penalty and a fear thereof as a result of the words that they have expressed.

The EU should also step up its responsibilities in providing shelter for people from countries that practise the death penalty. The Shelter Cities programme should become operational as soon as possible.

**Barbara Lochbihler**, *on behalf of the Verts/ALE Group*. – (DE) Madam President, the annual anti-death penalty resolution really is a very impressive example of how much the EU is doing and has done in the struggle to get the death penalty abolished worldwide. Granted, there are still too many executions – a great many executions – as the representative of the Commission Vice-President has stated. We should not forget, however, that the global fight against the death penalty is a success story. There are now only 43 countries that impose the death penalty. At international level, the EU is one of the most important active players driving this fight forward and also including it in all bilateral relationships, and we cannot afford to scale back our efforts.

Perhaps we should give some consideration to acting in a more targeted way, because different countries and different governments are structured differently and we may need to apply differentiated strategies. It will be different in Japan, where top politicians are fighting elections and use the death penalty as often as possible. We need a different strategy there to the one we adopt in Iran or Belarus. We may have to proceed one step at a time; for example, by narrowing the circle of those on whom the death penalty may be imposed so as to exclude minors and those with learning difficulties, or by limiting the range of crimes for which the death penalty may be imposed. In China, for example, people can still be executed for what is purely a crime against property. These could be steps along the way to our real goal, which is to abolish the death penalty completely. The EU needs to be somewhat more sophisticated in its approach.

What we cannot do, on any account, even if we take a different approach with different countries, is apply different standards and make different demands of those countries that still have the death penalty.

This year's anti-death penalty resolution has a particular focus, which is the US. As an example, I would like to present one case to you here. This is the case of Mumia Abu-Jamal, who has been on death row for over 20 years. He is not rich, he is an African American, and at the time of the offence, he was a journalist whose thoughts and writings were politically radical. Justified doubts and shortcomings have been brought to light concerning

his trial. In this case, I am asking the EU to do everything it can and to use every means at its disposal to ensure that the death penalty is not enforced and that he gets a fair trial.

**Sajjad Karim**, *on behalf of the ECR Group*. – Madam President, whilst I rise under the umbrella of the ECR Group, my comments are entirely based upon my personal convictions. I welcome the debate that is taking place in this House today, as it is quite clearly a display of our commitment to a fundamental value of our Union.

Last year, at least 714 people were executed by states. This excludes China, as it will not provide transparency on the issue. Many of the states that still have the death penalty as a punishment tool do not have the mechanism to deliver fair trials to those that they accuse of capital punishment crimes. The distinction between those countries that have capital punishment and use it, and those that retain the power but do not actually carry out the death penalty, is not as dramatic as one would first assume. The figure I stated earlier does not include all those who sit waiting to see what their fate may be, many of whom are actually innocent and have been denied the possibility of a fair trial.

So, whilst we have this debate, it is a very personal one. It is not just about those who are facing conviction and the death penalty but, along with them, all the many others that are affected, their families and so many other people in society, simply because those people face execution without any opportunity of a fair trial. We should concentrate on addressing those cases as well.

**Søren Bo Søndergaard**, *on behalf of the GUE/NGL Group*. – (DA) Madam President, the motion for a resolution that we are debating today sets out our categorical opposition to the death penalty. There are simply no excuses for States coldly and deliberately exterminating defenceless people in their charge. The death penalty is therefore a crime in itself. It is often more than that, however. When people who have been sentenced to death are waiting for years in wretched conditions, the death penalty is also a form of torture. When the death penalty is used to make people frightened to rise up against oppression and dictatorship, as we have seen in Iran, for example, the death penalty is also a form of terrorism.

As Mrs Lochbihler quite rightly said, the African-American journalist Mumia Abu-Jamal is today a symbol in the fight for the abolition of the death penalty – ‘the voice of the voiceless’, as he was called when he was charged with the murder of a white police officer in 1981 and sentenced to death. For nearly 30 years, this man has been sitting on death row following a trial characterised by errors and shortcomings and with racist undertones. It is therefore also fitting for the motion for a resolution to highlight the case of Mumia Abu-Jamal as one of the specific cases on which to focus in the coming period, among other things, by representatives of the EU taking up the case with the US authorities, the US administration and, of course, the US President too. This example is no less important because it comes from the United States, which is, of course, the EU’s ally in many areas – in fact, it is perhaps more important, because in the fight against the death penalty, there is no room for double standards. In the fight against the death penalty, only one standard applies: an unconditional ‘no’ to the death penalty.

**Mara Bizzotto**, *on behalf of the EFD Group*. – (IT) Madam President, ladies and gentlemen, we all agree on the fact that Europe must use its moral and political influence to further the cause of abolishing the death penalty. If, however, we are not to remain at the stage of abstract declarations of principle, the European Union really must start using the specific instruments at its disposal.

For example, Europe must remember that many third countries that still apply the death penalty in the most brutal and barbaric ways are countries with which the Union has concluded lucrative economic and trade agreements. Above all, Europe must remind these countries that, by signing such agreements, they have committed themselves to respecting minimum standards of fundamental rights. This requirement is routinely ignored, while Europe looks the other way.

Let us then begin to speak clearly about the death penalty with China, Egypt, India, Pakistan, Yemen, Bangladesh, and so on, forcing these countries to honour the undertakings they have assumed in terms of respect for human dignity. So far, Europe has only preached. We can only hope that it begins to put its words into action as soon as possible, something that it has unfortunately not yet succeeded in doing in many cases.

**Bruno Gollnisch (NI).** – (FR) Madam President, ladies and gentlemen, for the eighth World day against the death penalty, I have a thought for all those who have not been spared death: for the 200 000 innocent unborn children we get rid of every year in France; for Natasha Mougel, the young 29-year-old woman murdered a few weeks ago, stabbed with a screwdriver by a repeat offender; for the four year-old child whose throat was cut a few days ago near my home in Meyzieu; for the elderly gentleman stabbed in Roquebrune in January by a man who had already been prosecuted for knife attacks; for the six to seven hundred innocent people killed each year in France and the many thousands of others in Europe and across the world; for Marie-Christine Hodeau, Nelly Cremel, Anne-Lorraine Schmitt and so many like them, whose only crime was to one day cross the path of a criminal freed by the law after committing a first terrible crime; for the victims of all the likes of Dutroux, Evrard and Fourniret, whose lives have been wrecked forever if not lost; for those who were killed in London, Madrid and elsewhere, victims of blind terrorism.

I think of them because no one organises a world day for the victims, but they do organise days for their executioners, who often do indeed deserve death.

In a state governed by the rule of law, and only in such a state, the death penalty is not a state crime. It helps protect society and citizens against criminals for whom it is sometimes the only means of redemption.

**Olivier Chastel**, *on behalf of Catherine Ashton (Vice-President of the Commission and High Representative of the Union for Foreign Affairs and Security Policy).* – (FR) Madam President, ladies and gentlemen, I can only thank you for your interventions as almost all of them back up our actions. It is clear to me that we agree on the importance the European Union must attach to this action for the abolition of the death penalty.

As I said earlier, and as I repeat once again, the High Representative, Baroness Ashton, has made this a personal priority.

We sincerely hope that with its partners, the European Union will draw a satisfactory result, as I have already said, from the 65th United Nations General Assembly with a resolution that will further strengthen the move for a universal moratorium.

Because we fundamentally believe that the abolition of the death penalty is essential to the protection of human dignity and to respect for human rights, we oppose the use of capital punishment in all cases and, I repeat, under all circumstances, and we will continue to call for its universal abolition.

As I said earlier, the conclusion in the matter is clear: there is no room for complacency and therefore, we will use every available means to achieve our goal.

**President.** – I have received five motions for resolutions<sup>(1)</sup> tabled in accordance with Rule 110(2) of the Rules of Procedure.

The debate is closed.

The vote will take place on Thursday, 7 October 2010.

#### **Written statements (Rule 149)**

**Elena Oana Antonescu (PPE), in writing.** – (RO) The death penalty infringes man's fundamental right to life and there is no justification for it. Various studies have shown that the death penalty has no impact on violent crime trends. This is why I wish to stress that Europe and the whole world must take uniform action aimed at the universal abolition of the death penalty in states where it is still frequently applied, as well as against its reintroduction. As of the end of 2009, governments in 43 countries, retain this measure, including one in Europe. The reality of this situation should give us food for thought. We have the clout to persuade governments and citizens globally to stop using this act of torture, which is unacceptable to states that respect human rights. This is a priority objective and can only be achieved through close cooperation between states, raising awareness and education. I welcome the European Parliament's resolution on World day against the death penalty, emphasising that total abolition of the death penalty remains one of the European Union's main human rights objectives.

**Proinsias De Rossa (S&D), in writing.** – The death penalty is the ultimate cruel, inhuman and degrading punishment. Indeed, let us not forget that the death penalty affects, first and foremost, underprivileged people. I am opposed to the death penalty in all cases and under all circumstances and would like to emphasise that abolition of the death penalty contributes to the enhancement of human dignity and the progressive development of human rights. This resolution was timed to coincide with the European and World day against the death penalty, which are both on 10 October. The EU is the leading institutional actor and lead donor in the fight against the death penalty worldwide and its action in this area represent a key priority of its external human rights policy. In the United Nations, the EU has successfully sponsored from 1997 a yearly resolution at the Commission on Human Rights (CHR) calling for abolition and, in the meantime, to establish a moratorium on the use of the death penalty. I urge the EU institutions to redouble efforts and use all tools of diplomacy and cooperation assistance available to them to work towards the abolition of the death penalty

**Anneli Jäätteenmäki (ALDE), in writing.** – (FI) The death penalty is an irreversible, inhuman punishment that breaches human rights. It is cruel and demeaning, and a punishment to which an innocent person can be sentenced. The death penalty has not been proven to prevent or reduce crime significantly. It is most regrettable that it is still in use in 43 countries. Prohibition of the death penalty is one of the priority areas of EU human rights policy. I am glad that on this day, the World day against the death penalty, the European Parliament is taking a tough stand against capital punishment, which should be banned everywhere in the world. It cannot be regarded as proper justice in any circumstances. Thank you.

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<sup>(1)</sup> See Minutes

**Monica Luisa Macovei (PPE), in writing.** – As we mark the World Day and the European Day Against the Death Penalty, I recall that this Parliament stands united in its opposition to the death penalty. This is because capital punishment erodes basic human dignity and contradicts international human rights law. Studies show that there is no evidence that the death penalty has a significant deterrent effect on crime, while it does disproportionately affect underprivileged citizens. Despite these facts, there are over 20 000 people around the globe on death row; dozens of them are European nationals. From this Parliament, we must continue to oppose executions in all circumstances and support an unconditional international moratorium on capital punishment. We also need to encourage states to provide accurate and official statistics on their use of the death penalty. Under our treaties, Parliament must give its consent to international agreements with third countries. We should keep in mind the stance of these countries on capital punishment when we do so.

**Kristiina Ojula (ALDE), in writing.** – The World day against the death penalty is an important cause that reminds us of the unfortunate fact that 43 countries worldwide still retain capital punishment. I agree wholeheartedly with President Jerzy Buzek, who stated at the opening of the plenary session that death can never ever be considered an act of justice. I welcome the European Parliament resolution reiterating the commitment of the European Union to the abolition of the death penalty everywhere and calling upon the countries applying the death penalty to declare an immediate moratorium on executions. However, I would like to see the wordy commitment reflected more concretely in the actual policies of the European Union and its Member States towards third countries. Highlighting the importance of the matter on 10 October every year is worthwhile, but we must go further than this in order to see some real progress. The European Union must act in a coherent manner and have the abolition of the death penalty on the agenda as an actual priority item in order to live up to its image as a torchbearer of human rights and human dignity.

**Justas Vincas Paleckis (S&D), in writing.** – (LT) Currently, 43 countries use the death penalty. Most death sentences are carried out in China, Iran and Iraq. China alone accounts for 5 000 death sentences or 88% of all executions in the world. There are also EU Member States where the majority of citizens are in favour of the death penalty. There are even more countries like this in the world at large. The main argument is that such a punishment apparently deters potential criminals and reduces crime. However, the statistics tell a different story. I agree with this resolution because I believe that the instruments of the death penalty belong in a museum. The strong calls on Belarus – the last country in Europe using the death penalty – to abolish it at the earliest opportunity are justifiable. There, execution still remains a state secret. Relatives of those sentenced to death do not know whether or not the condemned are still alive, because the bodies of those executed are not returned to their parents or children.

**Cristian Dan Preda (PPE), in writing.** – (RO) Although the campaign against the death penalty is already one of the European Union's human rights priorities, creating the new European External Action Service offers a good opportunity for us to restate the importance we attach to this issue at EU level. To be able to conduct an effective campaign, it is important for us to differentiate between, on the one hand, the progress made in certain countries and, on the other, the critical situation elsewhere. Therefore, although we are concerned that the death penalty continues to be applied in the US, we must acknowledge that there has been a 60% drop in the number of executions in the United States during the last decade. On the other hand, we must strongly condemn the Chinese Government

which has executed more people in 2009 than the rest of the world put together. I absolutely deplore the fact that, after not having had, for the first time in modern history, a single person condemned to death in Europe in 2009, the Belarusian authorities have condemned two people to death and are likely to execute them during this year. In conclusion, I believe, as does President Buzek, that the death penalty cannot be regarded, under any circumstance, as an act of justice.

**Joanna Senyszyn (S&D)**, *in writing*. – (PL) Use of the death penalty is based on the mistaken conviction that the severity of the sentence deters others from committing crimes. In reality, it is not the severity of the punishment which determines its importance in prevention, but its inevitability. Therefore, it is important to have an effective system for the pursuit and prosecution of criminals. It is essential that those who break the law be aware that they will be apprehended and punished.

In 2009, the greatest number of executions were carried out in China, Iran, Saudi Arabia, North Korea and the US. The use of capital punishment has not been observed to reduce the incidence of the most serious crimes. This is why, during their social development, civilised countries abandoned the use of capital punishment, as they had first abandoned particular forms of it, such as the breaking wheel, dismemberment by horses, burning at the stake and impalement. For they are practices which unleash the basest instincts and have a brutalising effect on society.

In Poland, restoration of the death sentence is advocated by right-wing conservative parties, who equate government with the intimidation of society. Such methods cause fear in society and uncertainty as to what will happen tomorrow, and this, in turn, makes them lead to still greater brutality and crime. Capital punishment, therefore, causes the opposite effect to the one intended. Therefore, it is essential to educate people properly about this and to make society aware that capital punishment does not solve the problem of the most serious crimes.

**Csaba Sógor (PPE)**, *in writing*. – (HU) The death penalty is outlawed in the Member States of the Council of Europe and hence, in all 27 EU Member States, but it is still routine practice in many countries in the world. The sad thing is that in many cases, the death sentence is handed down not for common criminal offences but for the consistent, courageous expression of political or religious views or for infringements of cultural customs. Europe has come to recognise that it cannot enact laws that permit ending a human life by violent means. The time has come for it to firmly assert this wise recognition and extend it to those countries around the world that do not think this way at present. Cultural diversity and different world views are a source of enrichment for human civilisation, and no law can justify the practice of the death penalty.

**Róza Gräfin von Thun und Hohenstein (PPE)**, *in writing*. – (PL) Unfortunately, 'man is not a beautiful animal', if I may quote the great Polish philosopher, Barbara Skarga. There are many among us, citizens of the free and democratic Member States of the European Union, who are supporters of capital punishment. This is horrifying, but true.

Fortunately, the death sentence is not found in the legislation of the European Union, and no Union government, not even the most populist, can introduce it. However, the European Union, by its values and the way it upholds them, should be extending its influence to other countries, as indeed it does want to do. Therefore, it is important that we act at global level. Perhaps the World day against the death penalty, proposed by the Belgian Presidency, is a step in this direction. I hope it will focus our attention on this important matter and



strengthen respect for every human being, but also that it will strengthen our responsibility for human rights standards in the European Union as well as in those parts of the world where the death penalty is in use.

**Zbigniew Ziobro (ECR), in writing.** – (PL) The European Union has introduced a ban on the use of capital punishment. This is the end result of a process which has been taking place in the countries of Europe, although the continent does still have many supporters of the death penalty. I do not think it is the role of the European Parliament to adopt a position on the deterrent effect of capital punishment, particularly because numerous studies which have been carried out recently, mainly at universities in the US, show that the death sentence does act as a deterrent. Our role is to take care to ensure that our societies are safe.

Regarding currently prevailing law in the European Union, we should remember that just as we demand respect for our decisions, so we should respect views encountered in other democratic societies and not impose our vision of justice upon those societies. The societies of the US, Japan and South Korea are entitled to establish such laws as they see fit. We, however, in Europe, should remember that renouncement of the death penalty must not mean indulgence towards the most abominable of crimes, the crime of murder – in such cases, we need severe punishments which are a deterrent and which isolate the perpetrator, such as a sentence of life imprisonment without the possibility of conditional release. For if we want to live in a secure society, we must have severe laws against those who violate the fundamental human right – the right to life – and who, in addition, are often prepared to violate it again and to kill innocent people.

**Jarosław Leszek Wałęsa (PPE), in writing.** – As we move forward with our efforts to fully abolish the practice of capital punishment, it is important to recognise that there are 58 countries worldwide that still utilise capital punishment when sentencing in criminal cases and a handful of others that use it in particular situations such as wartime sentencing. The European Union has worked diligently as a whole to abolish this inhumane practice and our continued efforts will pay great dividends. There is, however, work to be done; we have European neighbours that have not fully abolished this practice and it should remain our focus to continue our efforts toward complete abolition. It is my belief that through continued communication and resolve, we will be successful. Although it is clear that this practice violates fundamental human rights, many cultures around the world have laws that are based on other factors such as religion, tradition and control. These factors make the abolition of capital punishment increasingly difficult, but it is our duty, not only as Members of the Parliament, but as members of the human race, to continue our tireless efforts to bring this practice to an end.

## 11. EU action on oil exploration and extraction in Europe (debate)

**President.** – The next item is the debate on the oral question to the Council by Jo Leinen, on behalf of the Committee on the Environment, Public Health and Food Safety, on the implications of the Deepwater Horizon oil spill for the EU: action on oil extraction and exploration in Europe (O-0122/2010) (B7-0470/2010), and the debate on the oral question to the Commission by Jo Leinen, on behalf of the Committee on the Environment, Public Health and Food Safety, on the implications of the Deepwater Horizon oil spill for the EU: action on oil extraction and exploration in Europe (O-0123/2010) (B7-0551/2010).

**Jo Leinen**, *author*. – (DE) Madam President, Commissioner, ladies and gentlemen, the Gulf of Mexico has probably suffered one of the biggest environmental disasters of recent years, and we in Europe – in the European Union – must do everything we can to ensure that such a disaster cannot happen here. I believe we are in agreement on that. We have four seas adjoining the EU or situated within the EU: the North Sea, the Baltic Sea, the Mediterranean and the Black Sea. Oil drilling takes place in these European waters. In this regard, the subject is also an issue for the European Union.

Deep-sea drilling especially represents a particular risk. That has become evident from the oil well in the Gulf of Mexico. There are problems here that are beyond our control. A great many outstanding questions have arisen to which we still do not have answers. Ladies and gentlemen, Commissioner, that is why we are recommending to you in our resolution that it would be appropriate to have a moratorium at least on new applications for deep-sea drilling until such time as we have a complete overview of what is needed and how we can close the gaps and remedy the shortcomings.

I believe that the citizens of Europe expect us to ensure an equally high level of security for all 27 Member States, and thus for all four seas of the EU, and that there is no gap between countries that are already doing a lot – and that should be recognised – and those that are perhaps somewhat more lax in this area. I am also addressing our neighbouring countries here. We have a Neighbourhood Policy, and in the Mediterranean, in particular, there are, of course, also drillings by countries that are not members of the European Union. Commissioner Oettinger, I believe you are taking initiatives – and that is something you must indeed do – to talk to Libya in particular, but also to others, concerning our standards and our approaches.

The question is: would the EU be prepared for such a disaster? What control mechanisms and intervention mechanisms do we have in the event of such a disaster? We need answers to this too. We have the agency in Lisbon, the European Maritime Safety Agency (EMSA), which was established in the aftermath of a disaster involving the break-up of supertankers. The agency thus checks the safety of vessels, but not the safety of the seas – in other words, precisely what we have now seen in respect of deep-sea drilling. In our opinion, it would be a good idea to expand EMSA's mandate to allow these things also to come within its remit. That would at least address the problem adequately. I imagine that new resources would be needed for this. That is always a problem, of course. However, if we want to deal with such a major issue, then the resources will have to be found.

I would also like to mention liability for such major events. What, in fact, is the insurance situation? What possibilities are there for getting the funds needed? We need to gain an overview of liability and insurance law relating to deep-sea drilling, and that is something we are discussing. Naturally we also, and above all, need to see how this applies to small companies operating in this field. Not all the companies active in this area are multinationals; there are many small companies too. How will they manage? How can they insure themselves? Do we need solidarity funds? Do we need collective solutions to ensure that those who suffer are compensated – the fishermen and others who are affected by such disasters?

We also want to know whether the Environmental Impact Assessment Directive, which demands environmental impact assessments for activities on land, also applies to deep-sea drilling and related areas. There is much we do not know about the high seas. What kind of working conditions and social standards are effective there? After all, the human factor

can also play a major role. We have good technology, but if the human factor fails, then it could result in such disasters.

Commissioner, you have overall responsibility for energy. Offshore oil has its problems; offshore wind would be better. I believe that this debate naturally opens the way for a different energy policy in the EU – and that also lies within your remit.

**Olivier Chastel**, *President-in-Office of the Council*. – (FR) Madam President, ladies and gentlemen, in the absence of new proposals from the Commission relating to oil exploration and extraction – an absence which I should immediately like to point out is quite legitimate since the Commission is engaged in ongoing consultations with the industry and the numerous regulatory authorities concerned – I can only reiterate here our deep concern following the disaster in the Gulf of Mexico and its far too numerous human and environmental casualties. This disaster demonstrates that there cannot be too many precautions in this sector and that we must do everything we can to prevent a repeat of this type of accident.

We can only hope that, as happened after the *Exxon Valdez* accident in 1989 and the *Erika* accident in 1999, the EU and US regulatory framework for offshore oil exploration and exploitation activities will be strengthened this time too. The aim is obviously not to develop a framework that is so onerous to implement that it makes these activities unprofitable, but to ensure that they are carried out safely, particularly at a time when the earth's resources are diminishing.

While we have been awaiting legislative proposals, this issue has obviously continued to be of concern for us, and, although like others, we were pleased when the Macondo well was shut down in mid-July and finally capped on 19 September, bearing in mind the scale of the rehabilitation works to be carried out, we believe that this is just one stage in a longer process. This is why the Presidency wanted Commissioner Oettinger to share his initial assessments with us at the recent Informal Meeting of Energy Ministers from 6 to 7 September.

In our opinion, there are two things we can take away from what he said at that meeting. First of all, the safety provisions that are already in place in the EU are the most stringent in the world. Secondly, due to the fact that oil activities come under various regulatory fields, any proposals planned by the Commission will have to cover these various fields: firstly – since prevention is better than cure – we will have to improve the safety standards applicable to all European waters, but we will also have to tighten up the liability regime, strengthen regulatory oversight and step up international cooperation, for example, with our OPEC partners, as we already did in June.

An initial communication from the Commission is expected between now and mid-October, and due to the large number of fields it must cover – which I mentioned just now – it will need to be discussed by several Council configurations and probably by several parliamentary committees as well. We must not, however, allow the complexity of this issue to be an excuse to postpone our response. We intend to ensure that this communication is studied as soon as it is received so that it can be tabled at Council level as quickly as possible.

With regard more specifically to environmental protection, the EU already has quite an advanced legislative framework. The precautionary and polluter pays principles are fundamental principles of EU environmental policy and are, in fact, laid down in the treaty.

The oil spill disaster caused by that platform in the Gulf of Mexico may also represent an opportunity for the Commission and the Member States to reassess certain aspects of current environmental legislation. In this context, it should be remembered, for example, that the Seveso II Directive is currently being revised, and that we are awaiting a proposal from the Commission before the end of the year.

I should also like to point out that the Commission is currently examining the EU's disaster response capacity, with a view, in particular, to its improvement. We look forward to receiving this communication between now and the end of November.

Finally, I should like to confirm that the Presidency will do everything in its power to ensure that the proposals which the Commission will present to us are taken further.

**Günther Oettinger**, *Member of the Commission*. – (DE) Madam President, Mr Chastel, honourable Members, we are all agreed on the magnitude of the disaster in the Gulf of Mexico. Damage has occurred that will have long-lasting adverse effects on the environment, on nature, on culture, on tourism and on fisheries, and these can only be partly mitigated by financial means. Nonetheless, we should be thankful that we are dealing here with a capable company such as BP, which we can expect to do all that can be done in terms of providing financial compensation where appropriate.

We are in the process of finalising a communication. In no more than two weeks' time, the Commission will officially consult on this subject and issue its communication. I am here today to listen to your expectations, under the general leadership of Mr Leinen and his specialist committee, along with Mr Reul. I can tell you that we will be incorporating Parliament's expectations and specialist statements into the communication that will be issued in two weeks' time at the latest.

A few days ago, we received a statement from BP that at least contained sufficient self-criticism and which also proposed and announced voluntary steps and remedial action that can be taken by the industry. We are paying close attention to what is going on in Washington, which is currently somewhat delayed by the electoral campaign, but we note that the government in Washington wishes this very serious incident to have far-reaching consequences for US legislation and policy. We aim to formulate the highest security standards worldwide for the waters within our reach: the North Sea, the North Atlantic, the Baltic Sea, the Black Sea, the Mediterranean and the Atlantic off the coast of West Africa. We have authority in our own territorial waters, but we are also endeavouring to pass on these standards to areas beyond our borders. Mr Leinen indirectly referred to Libya. We are also concerned with drilling that affects our coastlines and seas, but which does not take place directly in our seas.

We are talking about oil, and also about gas. We are talking generally about offshore exploration and extraction of hydrocarbons and the best possible level of technical security. We note that the United Kingdom – the UK – and Norway can be assumed to have the most experience as well as high, acceptable standards, and we therefore consider it particularly important to cooperate with the government in London and with the Norwegian Government. Firstly, we want to check the security precautions for future licences; in other words, what higher or highest standards are possible for new authorisations. Secondly, we want to look into upgrading existing rigs, some of which are 20 or more years old. The standard that was acceptable at that time is not comparable with what is feasible and politically expected today.

Then there is the matter of regular checks. We need to increase the density of our control network, and increase the frequency and quality of checks accordingly. There are also questions relating to insurance law, such as the matter of how far we can make comprehensive insurance cover obligatory for companies engaged in extraction so as to minimise and remedy any damage – at least economically and financially – as far as possible in the event of a worst case scenario.

A further matter that concerns me is how we can export our security standards to other parts of the world. If BP now intends to carry out extraction and build rigs off the coast of Libya, then this gives us an opportunity to approach the European energy industry – namely BP, Shell, Total – and obtain voluntary commitments that they will voluntarily accept and apply the same strict standards that they are obliged to adopt within the territory of the European Union in these neighbouring regions as well. In specific terms, this means that an offshore oil rig off the coast of Libya that is built and operated by BP, or perhaps a rig off the coast of West Africa that is operated by a European energy enterprise, should and must maintain the same standards as those operated in the North Sea where such standards are enshrined in law.

Overall, then, please give us two weeks. We are on track to meet the objectives of our communication. Any other expectations that you, the honourable Members, convey to us today will be taken into account and we will be sure to present legislative proposals for what is set out in our communication in the first half of 2011.

**Richard Seeber**, *on behalf of the PPE Group*. – (DE) Madam President, I would first like to thank Commissioner Oettinger for having taken up the reins and for having reacted as soon as the oil disaster occurred. Naturally, we must take into account the fact that the starting point in the US is different to that which we have in Europe. Nonetheless, I believe that there is a need to act here in Europe too, and there is a need to carry out a thorough analysis of both the actual conditions in Europe and the legal situation in order that we can make appropriate proposals. We must bear in mind that the legal situation is, of course, complicated by the fact that we are dealing, in part, with international waters and, in part, with waters belonging to the Member States. I believe that we must look into the matter of where exactly the Community can act as a community and make legal proposals to improve the situation.

Our starting point must always be to create the highest security standards for people and for the environment, so as to prevent such disasters from the outset. Nevertheless, I feel that it is important that we continue to explore for oil and gas throughout Europe in order to further diversify our energy sources. That should remain in the back of our minds. As I mentioned, however, security must take precedence. I see three areas in which we can act here. The first is to look at where we need to change the legal situation in the EU. The Seveso II Directive, the directive on environmental liability and the third maritime safety package all come to mind here. These are definitely areas which the Commission needs to address and we look forward to hearing your proposals.

The second is the financial framework. I believe that insurance solutions would offer the appropriate security to enable financial compensation to be provided following disasters. A third area is emergency management within the EU. Is it really necessary for each Member State to maintain the full capacity needed to deal with such disasters? Could we not find a means of cooperating here at EU level and strengthen this so as to relieve the pressure on the Member States a little?

**Zigmantas Balčytis**, *on behalf of the S&D Group*. – (LT) The environmental disaster in the Gulf of Mexico highlighted the lack of safety and security of oil operations. This heart-breaking tragedy, which claimed human lives and did untold damage to the environment, must also be an important lesson to us in Europe.

I welcome the Commission's initiative to carry out a test of the safety of offshore oil platforms operating in the territory of the European Union. However, in order to ensure this fully, it is necessary to take measures on a wider scale. Above all, the Commission should assess the European Union's capacity for immediate and effective response to accidents and develop a European action plan.

Current regulation is clearly lacking in content and scope, both in terms of safety and responsibility for damage done. Huge infrastructure projects are currently being implemented in the European Union whose safety has perhaps not been assessed comprehensively and properly. This includes the much debated Nord Stream gas pipeline and other oil and gas infrastructure, which is necessary for Europe to achieve energy security, but which must satisfy environmental requirements of the highest level.

The issue of responsibility must therefore be resolved clearly: the polluter compensates for damage done and furthermore, it is necessary to adopt compulsory EU-wide insurance schemes. In order to avoid similar disasters, particular attention should be paid to preventive measures. Therefore, in my opinion, the Commission should analyse the establishment of an effective monitoring system, strengthen inspection methods and tighten minimum compulsory EU safety rules.

I agree with the proposals made by our colleagues for the Commission to also provide annual reports, which would allow us to both assess the true situation and take measures in time, as and when necessary.

In conclusion, I would like to thank the Commission and the Member of the Commission for the fact that we will have a communication so soon and will be able to begin to examine in more detail what Europe really needs.

**Corinne Lepage**, *on behalf of the ALDE Group*. – (FR) Madam President, Mr Chastel, Commissioner, the Gulf of Mexico incident is a watershed.

As the events taking place at this very moment in Hungary unfortunately demonstrate, Europe is clearly not safe from large-scale industrial accidents. Our joint task is precisely to anticipate disasters, not to simply wait for them to occur and then muster the resources to deal with them.

What do I mean by 'anticipate'? Firstly, to have suitable, preventive legislation. No such legislation yet exists. We need to conduct sound preliminary studies, and I am pleased to hear about the plans to apply Seveso II to offshore platforms. We also need to carry out sound impact assessments and – this is extremely important – establish a liability system that acts as a deterrent, so that it is in operators' economic interests to guarantee safety.

Finally, the technical resources must be in place to ensure that any eventuality can be dealt with within a few days or even hours. This does not mean simply being able to react on paper; it means being able to react in the real world. I dare not imagine what would happen if there were a situation similar to the one in the Gulf of Mexico in an enclosed sea such as the Mediterranean that lasted for several weeks or even months.

Of course, we also need – as you mentioned – a fair liability system to compensate damage. The Environmental Liability Directive, I recall, does not cover economic damage. That is why I think it is essential for us to do as the US had no hesitation in doing, and introduce a moratorium on new installations so that the conditions mentioned just now can be fulfilled.

This does not mean shutting down current operations, but suspending the issue of any new licences so as to ensure that all public and private stakeholders have the same objective: to establish, as quickly as possible, the legislation and technical resources to protect us from a disaster on the scale of the one in the US.

I think that all these actions would be a step in the right direction; although I would point out that our common goal is to gradually wean society off oil, not to ensure that we remain dependent on it.

**Bart Staes**, *on behalf of the Verts/ALE Group*. – (NL) Madam President, I concur with the speech by Mrs Lepage, particularly the last section. Five months ago, on 20 April, the unthinkable happened, in the form of the terrible disaster in the Gulf of Mexico. It took five months for the leak to be stopped for good. Therefore, we, the European legislator, need to ensure that a disaster of this kind can never occur in European waters. That is why we are holding this debate. That is why we are taking action.

The resolution on which we voted in the Committee on the Environment, Public Health and Food Safety is largely in keeping with the analysis and with the policy and the willingness of Commissioner Oettinger. Commissioner Oettinger has already appeared in plenary a couple of times to set forth what he stands for and what he wants to do. Our resolution is much in line with this. I regret the Council's stated intention to await proposals from the Commission before reacting. I had, in fact, expected the Council to react to the proposals being put forward by Parliament in the current debate.

These proposals, of which there are many, are important. We are, in fact, calling on Member States to establish a moratorium until accidents can be ruled out; until compliance with adequate safety rules has been ensured. We want there to be a moratorium until we can be sure that the legislation on liability is fully in order. We want to look into the situation as regards the supervision of the supervisors. We want to ensure that steps are also undertaken to decommission installations that are still operational and which may need to be decommissioned shortly. We want to see the mandate of the European Agency for Maritime Safety (EMSA) extended. We want that organisation to be responsible for marine pollution caused not only by seagoing ships but also by oil platforms in the event of a disaster.

These are all very tangible things that are set out in this resolution. Mr Chastel, I regret that you are refraining from giving a reaction, on behalf of the Council, to Parliament's proposals in this House and are awaiting the proposals to be presented by Commissioner Oettinger, the first of which is due as soon as next week in the form of the stress test on the existing legislation. Hearty congratulations to the Commission, then, and a rather reserved attitude towards the Council.

**Struan Stevenson**, *on behalf of the ECR Group*. – Madam President, the Gulf of Mexico oil spill was a wake-up call for the oil sector. There is no question about that. We are all keenly aware of that fact, but let us be careful we do not overreact.

I agree when we say that we must have proper compensation for all those, particularly in the fisheries sector, who lose their livelihood because of an oil spill or any accident of this nature which – heaven help us – I hope does not happen in any of our waters.

We must set up either a compensation fund or an insurance fund to which the oil companies themselves would contribute. However, when I hear good colleagues like Mrs Lepage calling for a moratorium on exploratory drilling, I really feel that is going too far. That is an overreaction. We have 20 years, two decades, of experience in deepwater drilling in the North Sea and off the west coast of Scotland – two decades in which we have exported some of the highest level safety technology in the world. We have got more than 315 deepwater wells, i.e. wells over 300 metres deep, while some of them have been up to 1 600 metres deep.

It is early days to look at the analysis of what happened in the Gulf of Mexico, but from the evidence, it already seems that if our technology, which we have been using for two decades in the North Sea, had been used there, we would not have had the oil spill, or it would have been contained much more rapidly.

So do not let us suddenly slam the door on one of the safest and most secure industries that we have in Europe, when this year alone, we have already invested GBP 6 billion in exploratory work in the North Sea and off the coast of Shetland. Do not overreact and send the message worldwide that we in the European Parliament feel that our European industry is no longer safe. This is one of our great export earners.

**Niki Tzavela**, *on behalf of the EFD Group*. – (EL) Madam President, I should like to congratulate Mr Leinen and the Commissioner on their briefing. I should also like to express my displeasure at the fact that the Committee on Industry, Research and Energy, which is responsible for industry and research, is absent from the resolution. I would say that, because of this absence, we have paragraphs which are unrealistic or create huge problems for extraction industries. We said we would control them, not wipe them out.

That is why we absolutely agree with the amendment tabled by Mr Callanan to delete paragraph 17 and I would also note that paragraph 22 puts a financial burden on extraction companies which we should be careful about. I would further note that there is a major omission in the text: there is no reference whatsoever to promoting research and development in the extraction sector. We could work with the Americans here and advance research and technology, which will help us to deal with this sort of crisis.

**Nick Griffin (NI)**. – Madam President, the real significance of the Deepwater disaster is being missed. The real question is why BP is drilling for oil through 5 000 metres of rock, in water 1 500 metres deep, in the middle of a hurricane zone.

The answer is peak oil – the point at which we have used the half of the world's reserves that were easy, safe and cheap to produce, and now rely on shrinking reserves which are increasingly inaccessible, dangerous and expensive, both financially and environmentally. Deepwater is merely a symptom of peak oil. Using it as an excuse for yet another EU power grab will not stop us reaching peak or suffering its potentially catastrophic consequences.

Instead of talking about symptoms, it is time to get serious about the disease: the fact that we have used all the easy oil and are still addicted to the stuff. In recent months, this reality has begun to dawn on – among others – President Obama, the British Government and the German military. It is time for the EU to take its head out of the sand, stop obsessing about climate change, and study and address the real crisis: peak oil.



**IN THE CHAIR: RODI KRATSA-TSAGAROPOULOU***Vice-President*

**Herbert Reul (PPE).** – (DE) Madam President, Mr Chastel, Commissioner, ladies and gentlemen, this was a major disaster, and there are various ways of reacting to disasters. You can rush about taking action and make a new declaration every week, or you can investigate the situation thoroughly and then consider where things need to be changed. Where the starting point is concerned, for example, it has been established that the situation in the United States is not really comparable with that in Europe.

Commissioner Oettinger has chosen the latter path: to proceed in a sober, objective manner, one step at a time. That is how you make policy, and it is how you gain the support of our citizens. I am grateful firstly that the Commissioner has chosen this course, and secondly that he has involved all the committees. The Committee on the Environment, Public Health and Food Safety and the Committee on Industry, Research and Energy were jointly involved in plenary and both participated in the discussions with the Commissioner at which we were able to go into the facts in more depth. Unfortunately, I must point out – as Mrs Tzavela has already mentioned – that the Environment Committee then felt it had to submit a resolution unilaterally. I consider that to be absolutely unacceptable. Moreover, rushing out any old hasty document does not serve the end of parliamentary cooperation and does not serve to deal with this issue properly.

We have learned – as, in fact, we all knew – that the Commission is to present a communication next week or the week after that analyses the consequences of what has occurred. We will then, as the Council quite rightly points out, be able to consider intelligently what the consequences should be. The Environment Committee felt it had to present a motion for a resolution on this quickly, so now we have been presented with a resolution that I consider to be overhasty throughout. As far as I am concerned, it contains errors and completely disregards a great many aspects relating to research and technology, as Mrs Tzavela has just pointed out. Who cares? All that matters is to get something out, even if it addresses the matter from only one perspective. This is absolutely unacceptable. Moreover, drawing the conclusion that a moratorium should be pronounced is a successful attempt to draw attention to Europe as a centre of industry.

Ladies and gentlemen, this is no way to go about things. I am grateful for being allowed to take the floor. Here at least, one can still speak. My committee was not involved in the resolution at all.

**Pavel Poc (S&D).** – (CS) The explosion of the Deepwater drilling platform was most definitely a major disaster. It was a warning both for the United States and for Europe. However, there was one warning we overlooked. At the same time as the ENVI Committee was discussing Deepwater Horizon in the Gulf of Mexico, oil was escaping from the Jebel al-Zayt drilling platform, which is a few kilometres offshore in Egypt, and we learned about the leak from tourists. We did not even hear about it from the mass media, and when I asked a Commission representative during a session of the ENVI Committee whether he had information on this rather small but nonetheless near at hand disaster, or rather oil leak, he had none. No one had this information. Therefore, in addition to the other subjects which fellow Members have discussed here, I would like to mention one more, namely, that it is always necessary to have timely and high quality information which will not be misreported for political reasons, as was the case when the Egyptian Government misreported the oil leak in Jebel al-Zayt.

In my opinion, a moratorium is one of the possible solutions, though we obviously cannot prohibit and restrict the energy industry if it is to supply us with what we need. It is necessary to have unified safety standards, because European Union standards in the North Sea are very high, but in the Black Sea, they are no longer applied. Such a divergent approach is unacceptable, and we must ensure that there are unified safety standards to protect the entire European coastline.

**Gerben-Jan Gerbrandy (ALDE).** – (NL) Madam President, the circumstances in the Gulf of Mexico are not comparable with those in our waters, of course, but I am delighted that the European Union has nevertheless seized the opportunity to examine its own legislation. After all, this is urgently needed.

There are two very important elements as far as I am concerned. The first is the controls. Several of my fellow Members have spoken about this. These controls are essential. Even more important by far in my eyes is the element of liability; and, to be honest, it was rather a shock to me that this is not well organised even in our European waters. Why is liability so important? Sound regulation would be the big stick par excellence to induce oil companies primarily to take a great many measures themselves to reduce the risks – that is why I consider this important. For that reason, I strongly advocate not granting new licences until that liability has been regulated.

**Bas Eickhout (Verts/ALE).** – (NL) Madam President, I should like to address, in particular, my fellow Members, Mr Stevenson and Mr Reul, who say that the Committee on the Environment, Public Health and Food Safety was too quick to react. Let us be honest; this disaster happened five months ago and Europe is only now presenting a resolution: that is by no means too quick. We in the Committee on the Environment have been working on this for a long time.

I should also like to express my warm thanks to the Commission, as it was proactive and admitted that the legislation on liability is not clear and that, quite simply, there are gaps between European and national legislation. Such things are not regulated properly. Until we know that this area is regulated properly, we must simply stop any new deep-sea drilling. This moratorium would apply not to the whole sector but only to new deep-sea drilling. It is not an overreaction; it is a very calm reaction. We are also aware that an investigation is still under way in the Gulf of Mexico into what went wrong. This needs to come to light and, until then, there should be no new activity.

**Konrad Szymański (ECR).** – (PL) Madam President, catastrophes and very spectacular events, such as the leak in the Gulf of Mexico, are very often the stimulus for general changes in policy and great schemes of regulatory reforms. However, action which is dictated by emotions is not always rational, so I would appeal for a great deal of caution and care in imposing new obligations on firms, be they in the area of insurance, environmental standards or safety standards, because in the European Union, these standards are, in any case, the highest in the world. We are at a different stage of development in this area of legislation.

The only consequence of such hyper-regulation can be a weakening of Europe's competitiveness and a stronger position for the extraction industry everywhere outside the European Union. The situation is similar in the case of a moratorium on off-shore drilling – such a moratorium will produce effects which are, most probably, completely the opposite to those which were intended. A moratorium means more ships sailing to European coasts and, therefore, more danger to the environment. This is why I am appealing,

in both cases – in the case of legislation, and in the case of the moratorium – for a great deal of caution.

**Bogusław Sonik (PPE).** – (PL) Madam President, this is now the third debate in the European Parliament which shows the great importance we attach to safety in the extraction of crude oil in European seas. We do not want a repetition of the catastrophe which occurred in the Gulf of Mexico to be possible on the coast of our continent. In the first three months of this year alone, there were 175 disruptions to the operation of drilling platforms in the North Sea, of which 8 were described as very serious incidents. In 32 cases, operation of these installations was halted. Another problem is that these platforms have been heavily exploited. Of 103 platforms which were commissioned in the North Sea at the beginning of the 1970s, 44 will have reached what is known as technical death in five years' time, and 26 have already exceeded the permissible exploitation period, but have been given an extension of the right to extract oil.

Installations have also changed owners over the last 30 years, and the new administrators do not necessarily share the same culture of exploitation in terms of safety. The pressure to maximise extraction does not go hand-in-hand with measures intended to improve safety or with proper risk assessment. Therefore, we support the Commissioner's work, which aims to make a thorough analysis of legislation on oil extraction in European seas, and, if the need arises, to introduce new and essential provisions in order to cover the dangers resulting from the extraction of oil at sea and to tighten up the principles of liability in the event of accidents which cause contamination involving crude oil.

It is essential to establish the highest standards of safety for deep-sea drilling in European seas and to apply them to all parties working in European territorial waters. This must also apply to firms which come from outside the European Union. We must not allow a situation, for example, if exploitation of deposits in the Arctic is to be undertaken by Norway and Russia, in which one of these countries is going to use technology which does not incorporate the highest standards of safety used by firms belonging to the European Union.

**George Lyon (ALDE).** – Madam President, as many other speakers have said, the Gulf of Mexico disaster was a wake-up call for the industry.

However, I listened carefully to what the Commissioner said in his introduction and his comments and I agree with the commitments he gave that we need to improve standards, we need to improve quality, and we need to ensure that the EU can be a leader in this field and that we can export our safety systems around the world and make sure that others follow. I also welcome his recognition in his contribution that, in the North Sea, the UK and Norway are already operating to some of the highest standards in the world.

We in Scotland have had our disaster in the North Sea – in the Piper Alpha disaster, just over 20 years ago, when over 100 people were killed. That led to a wide-scale review of safety standards which has resulted in the very high standards that we now have today.

I support much of what is in the question that Jo Leinen has led on today, but I do not believe that the open-ended call for a moratorium is proportionate and is a sensible response to the challenge we face. I hope Parliament will think twice about going as far as that.

**Zbigniew Ziobro (ECR).** – (PL) Madam President, there is no doubt that the safety of the extraction and of the transport of natural materials should be monitored by the European Commission. A key issue, besides that of optimal safety standards, should also be the preparedness of the enterprises which extract and transport natural materials for

emergencies which might cause contamination of the environment on a large scale. We must not forget the necessary financial resources which should be set aside by firms engaged in this kind of economic activity.

Soon, a gas pipeline pumping huge amounts of gas along the bottom of the Baltic Sea will be commissioned. I think this is the perfect opportunity to ask if the European Commission has done anything to protect the interests of millions of Europeans who live on the Baltic coast and who might be the victims of an ecological disaster on an unprecedented scale as the result of an explosion or leak from this gas pipeline. It should also be recalled that a European Parliament resolution drafted two years ago concerning preparation for the ecological effects of this investment has been completely ignored, and the investment is now under way. What will the European Commission do on this matter so that we will not regret the wasted time when a disaster occurs?

**Catherine Soullie (PPE).** – (FR) Madam President, the scale of the disaster in the Gulf of Mexico is clearly such that it demands us EU political representatives to ask ourselves questions about the safety of our own oil installations. In fact, one of the keys to protecting the marine environment is to ensure that oil exploration sites are as safe as possible.

Nevertheless, the idea of a moratorium on current and future oil drilling in our waters is clearly premature and inappropriate. Premature, because the outcome of the investigation into the disaster in the Gulf of Mexico is not yet known, and some preliminary conclusions confirm that it was due to a combination of behavioural, organisational and technical errors. Inappropriate because – as has been said several times – different regulations apply in the North Sea, in the Mediterranean and in the Gulf of Mexico.

Is it worth pointing out here the serious economic and social consequences that a moratorium would have, not to mention how it might jeopardise our energy independence?

Last week, Norway and Russia ended a 40-year dispute and a 30-year moratorium by confirming the principle of a common maritime border in the Barents Sea and the Arctic. This agreement will, in practice, result in the two countries sharing a hydrocarbon-rich area. How, then, could the EU executive at the same time plan to ask for these oil activities to be suspended and for them to voluntarily place themselves in a position of weakness from an energy and economic point of view?

**Mirosław Piotrowski (ECR).** – (PL) Madam President, the unprecedented ecological catastrophe in the Gulf of Mexico should persuade the Member States of the European Union to carry out close monitoring of drilling platforms in waters where crude oil is extracted. We are even seeing the appearance of proposals to introduce a moratorium on new drilling until the risk of danger to the environment has been excluded. These suggestions are based on the assumption that since sea basins have no borders, an ecological disaster in one of them would affect them all.

Such an approach is in accord with the resolution adopted two years ago by the European Parliament on the ecological hazard to the Baltic in relation to the Nord Stream project. We hope the European Commission will adopt an equally resolute and judicious approach to monitoring gas investments on the Baltic sea bed and that in doing so, it will make use of all possible instruments. It is worth considering, too, if support should not also be given to alternative technologies, such as the extraction of shale gas.

**János Áder (PPE).** – (HU) Madam President, ladies and gentlemen, we have heard a great deal about this oil disaster and we all saw the shocking pictures on our television screens.

However, did you know, ladies and gentlemen, that in past years, 97%, I repeat, 97% of all deliberate infringements of safety regulations by American oil companies were committed by British Petroleum? Did you know that in the last ten years, numerous accidents were caused by that company? Are you aware that British Petroleum has significantly reduced its safety and maintenance budget in order to maintain profits? This has also played a role in the ever-increasing number of accidents.

Mrs Lepage has just mentioned that the most important thing is to anticipate and prevent disasters. We all know that prevention is the most important thing. She is right about that. However, I think the American disaster in the Gulf of Mexico, just like other industrial or natural disasters of the past years or the catastrophic event the day before yesterday in Hungary, clearly proves that natural and industrial disasters can happen anywhere and at anytime. This is why I believe that compensation for damages, as well as rapid and effective damage control are very important.

We talk a great deal about extreme weather conditions and their consequences and hazards, and how they increase the risk of natural and industrial disasters. I think this is true, and if it is true, then we have to think ahead. We must also heed the warning signs, such as the Hungarian disaster two days ago, or the disaster in the Gulf of Mexico in the spring. I therefore suggest to my fellow Members and to Parliament that we set up a European disaster fund for effective damage control.

**Romana Jordan Cizelj (PPE).** – (SL) The disaster in the Gulf of Mexico is terrifying. It has highlighted a lack of safety standards and an inadequacy in the action taken in the wake of the oil spill. Although it has occurred in the United States, i.e. under American regulatory requirements and standards, we must all learn some lessons from it and prevent any similar accidents.

In doing that, however, we must take into account what the actual situation is here. As far as I know, European laws already have mechanisms in place to prevent similar accidents occurring in the Union because they are more stringent and more demanding than the equivalent American laws.

I would therefore argue that we in the Union are in no hurry. Let us take our time and carry out an in-depth expert analysis of the causes and consequences of the disaster in the Gulf of Mexico. We can then formulate any new requirements and measures on the basis of that. I am troubled by some of the wording in the resolution which creates a sense of panic, such as 'as early as possible', and I am also against a moratorium on oil extraction. On the other hand, I do agree that we need to ensure we implement our laws according to the highest standards and that we offer fair compensation in the event of an accident.

Above all, we must also take action outside our own borders. It does not matter which sea has been polluted; an American, European or any other sea. In such cases, the world as a whole will be more polluted and animals and plants will be dying and people suffering on account of the pollution. We must therefore do the hardest thing of all, which is to attain high international standards, not only tighten regulations within European borders.

Conversely, I think that we must take urgent action in the case of the accident in Hungary because it has taken place within our borders. We urgently need answers to the questions of what that thick red substance is – is it really hazardous to health? Is it really true that it is not included in the EU's Hazardous Waste List? And how should we prevent similar accidents?

**Radvilė Morkūnaitė-Mikulėnienė (PPE).** – (LT) First of all, I would like to thank those fellow Members who contributed to the drafting of this resolution, and I would also like to thank the Member of the Commission who gave us much hope and joy with his announcement today of the measures that the Commission intends to take. And indeed, fears that the resolution is hurried, and perhaps not researched enough ... I still feel that it is the voice of the European Parliament and a message to society, the Council and the Commission.

Some time has now passed since the accident and it is very important that at least the European Parliament is now letting its voice be heard. I think that as others here have said, it really is very important to review legislation currently in force in the European Union and legislation related to safety and quality standards. Indeed, we are not talking about halting oil exploration as a whole, but simply about monitoring the situation and determining what further measures should be taken to prevent an accident and disaster like that in the Gulf of Mexico from being repeated.

Personally, I am very pleased with the provisions in this resolution on the responsibility of third countries. In general, the European Commission and the European Union should strengthen dialogue with third countries as regards certain energy infrastructure projects. That does not necessarily just mean the Baltic Sea and oil platforms or the Nord Stream gas pipeline, but also the Black Sea, the Mediterranean and conflict situations with North Africa. I feel that it is very important that third countries are included in this resolution.

**Jolanta Emilia Hibner (PPE).** – (PL) Madam President, the experience we have gained from the events of recent months, and our concerns over the complicated situation in the fuel market which is a consequence of the disaster in the Gulf of Mexico, should drive us to take effective and emphatic steps to protect the environment and, above all, to prevent similar disasters in the future. All efforts should be geared to increasing the safety of crude oil extraction.

The experts are trying to persuade us that the right preventive measures mean the oil companies have relatively few accidents – yes, this is true. However, the facts that procedures are being ignored and savings are being sought at the cost of safety mean that catastrophes similar to the one in the Gulf of Mexico might happen in the future in Europe, too.

Worldwide, there are currently around 1 600 drilling platforms in operation, and this number is constantly increasing. New, ever larger and more powerful oil wells and drilling platforms continue to be opened. Extraction is reaching into deeper parts of sea basins in areas which are ever further offshore. Therefore, the significance of classical oil wells is falling, while that of drilling platforms is growing. Debate on the safety of extraction is inevitable, and a comparison of theoretical safety standards with those which are actually being applied may prove surprising. It is essential to subject oil firms to additional restrictions and to introduce new regulations which can improve safety. I know that some countries have already begun inspection of drilling platforms on their own initiative. The first inspections have already revealed certain breaches of safety norms. It has turned out that many platforms in the North Sea have been operating in breach of basic safety principles.

I think preventive action should be taken immediately to subject drilling platforms and all sites where natural resources are extracted from the sea bed to suitable regulations and oversight. It is essential to introduce new safety standards and principles which will have

to be followed by all parties which are involved in and jointly responsible for the extraction of crude oil. The possession of valid certification is a key requirement.

**Gaston Franco (PPE).** – (FR) Madam President, ladies and gentlemen, Europe is quite rightly asking itself whether an oil disaster such as the one that occurred in the Gulf of Mexico could happen in our waters.

Since oil spills have destroyed our coasts and left a lasting impression on us numerous times in the past, we quite rightly believe that the preservation and protection of marine ecosystems, animal biodiversity and the economic sectors of fishing and tourism are of paramount importance. However, we must keep a cool head and resist adopting an extreme position which the introduction of a moratorium on any further deep-water oil drilling in Europe would represent.

Firstly, because we have very strict safety standards for exploitation and exploration in Europe. Furthermore, national regulators and oil companies in Europe have themselves pledged to amend the exploitation and safety rules and procedures if the outcome of the US investigation into the disaster so demands.

Secondly, in view of our requirement for energy independence, it would be highly risky, from a geostrategic point of view, to abandon our North Sea drilling operations. Ultimately, it is the future of our oil industry that we are jeopardising if we shut down its exploration and extraction activities. How could we justify the consequent impact on employment growth in a time of crisis?

**Seán Kelly (PPE).** – Madam President, I think we all were shocked at the daily spill that was occurring in the Gulf of Mexico and the environmental damage that occurred as a result of it. It is only right that, as a result of that, we should be discussing this issue here to find ways to ensure that it will not happen again.

I think a few points spring to mind. Number one is that the security and safety standards that we have must be rigorously applied so that accidents are prevented rather than having to be dealt with, and certainly there are good standards at the moment which need to be applied everywhere.

Secondly, I agree totally with the Commissioner when he said that we must transport our safety standards throughout the world, because if something happens in the Gulf of Mexico or anywhere else, we are not immune to the fall-out from it. You cannot put an iron curtain around the waters of Europe and say nothing is going to happen if we abide by high standards ourselves, so there is great need for a worldwide agreement in that regard. Also, we need a disaster management fund. This has been mentioned and I agree with it.

People have spoken about a moratorium and certainly, at this point in time, it does not seem to me to be a feasible option, because if we were to do that, there is a grave danger that we could become like a rich man who decides to give away all his money and finishes up having to beg from those he gave his money to. We would be in the same position, with other countries continuing to explore as they do now without using the rigorous standards that we would be applying.

**Maria Da Graça Carvalho (PPE).** – (PT) Madam President, Commissioner, following the environmental disaster that occurred in the Gulf of Mexico, it is important for the EU to ensure that its coasts are protected through its capacity for preventing and responding to this type of problem. The European Maritime Safety Agency (EMSA), located in Lisbon,

provides aid and technical assistance in the area of safety and maritime protection from pollution caused by ships.

In June of this year, I submitted a written suggestion to Commissioners Oettinger, Kallas and Georgieva to expand EMSA's powers to create mechanisms for supervising safety on European oil platforms and preventing environmental disasters. This suggestion would provide an economy of scale in terms of financial, human and technical resources. I welcome the response of the commissioners, who have shown themselves to be open to considering a review of the EMSA regulation to expand its powers.

I call on the Commission once again to analyse this issue and expand the powers of the agency situated in Lisbon, so as to ensure effective protection for Europe's coasts.

**Diana Wallis (ALDE).** – Madam President, disasters like this should make us think. They make me think about the Arctic, an area where the EU has no direct jurisdiction but much influence.

Commissioner, you rightly said that EU companies operating outside the EU should export EU standards. I hope that will happen in respect to the Arctic area. It is far more challenging and hostile than the North Sea and to me, it is a conundrum. We, as Europe, champion a move from an oil-based economy and we champion renewables. Yet indirectly, we are encouraging oil exploitation in the most vulnerable and fragile part of our globe, where the consequences could be horrific. Maybe we should think quite carefully about what happens in the Arctic.

**Kriton Arsenis (S&D).** – (EL) Madam President, ladies and gentlemen, I disagree with what has been said in this House with reference to corporate protectionism. At the moment, China is running a race by taking measures, by putting the necessary arrangements in place, by preparing a five-year plan on how exactly it intends to change its industry, by closing polluting industries, because it is competing with us on a huge market, the USD 13 billion clean energy market. This is a challenge to which we need to respond not with protectionism, but with courageous measures.

Commissioner, yes, you should go ahead with the moratorium, which will be permanent, not temporary, and which will be a new step towards clean energy. Also, Commissioner, we need to examine environmental responsibility, to which you and other Members referred, and which will need to include the entire exclusive economic zone, because that is the zone in which companies are working.

**João Ferreira (GUE/NGL).** – (PT) We must learn from the oil spill in the Gulf of Mexico and the resulting environmental disaster. These lessons will surely include more demanding, more rigorous and more regular monitoring of safety conditions on similar infrastructure in Europe, but must go much further than that. Alarm bells are ringing and they cannot be ignored. The limits of the world's oil reserves are reasonably well known today. There are many things in addition to energy for which humanity is highly – too highly – dependent on these reserves. These reserves must, therefore, be managed extremely wisely, meaning, above all, that they should be used very sparingly.

We have already called attention in this Chamber to the importance of a plan that aims to manage these resources well and fairly, mitigating their increasing scarcity, and moving towards other sources of primary energy in a controlled way. I am talking about the Oil Depletion Protocol proposed in Uppsala in 2002 and in Lisbon in 2005 by a body of peak oil specialists.



**Andreas Mölzer (NI).** – (DE) Madam President, if we have learned one thing from the oil crisis, it is that in times of high oil prices, it becomes profitable to develop poorly accessible oilfields and to extract under the most adverse conditions, such as from deeper and deeper depths. Assuming that the experts are correct in forecasting huge increases in the price of oil, we must assume that even more risky exploration for oil will take place in the foreseeable future.

Although, under international agreements, it would have been appropriate to heighten the security precautions for the extraction of oil from depths greater than 200 metres following the disaster in the Gulf of Mexico, as we know, the countries neighbouring the north-east Atlantic were unable to reach agreement. The depths being worked in the area concerned and the risks are entirely comparable with those in the Gulf of Mexico. Improving security standards and securing financial liability are matters which must be tackled – all the more so since the Commission is evidently planning a CO<sub>2</sub> pipeline network and wants to sell emissions from Europe's power stations to the oil industry in the North Sea. We have not yet got to grips with how to dispose of nuclear waste – even though this technology has been in use for decades – and now, all of a sudden, hazardous greenhouse gas is to be disposed of in the North Sea. In my opinion, it is therefore high time that we thought about security provisions.

**Kyriakos Mavronikolas (S&D).** – (EL) Madam President, the general perception is that this sort of accident, like the most recent one, and like a series of similar accidents before it, alert us, and especially the rapporteur, whom I congratulate, to the need for certain provisions in connection with the future of all these extractions being carried out now and those carried out in the past.

It is a fact that the level of control of these installations is a very important factor and, as such, it should be increased and carried out at shorter intervals. It is also a fact that responsibility must be apportioned and that it should be possible to apportion it exclusively. This will inevitably result in a change to insurance law and, as a consequence, it will also inevitably result in these companies insuring themselves against all factors which may cause damage in the wake of such an incident.

**Sonia Alfano (ALDE).** – (IT) Madam President, the disaster of April 2010 is one of the most serious environmental disasters ever to have happened in the world. If the same thing happened within a closed sea such as the Mediterranean, the lives of tens of millions of European and non-European citizens would be threatened, with no way back.

Yet in Italy – as *Lega Ambiente* protested with regard to an ill-conceived energy policy – we are seeing an extraordinary increase in research applications and permits granted by the ministry for identifying and extracting oil resources that would be sufficient to cover the Italian energy requirement for little more than one year. It is obvious that the sacrifice is not worth it. All this is compounded by concern over the fact that BP has announced an agreement with Libya for offshore extraction just under 500 km south of Sicily.

I hope that the Commission undertakes, through this now imminent measure, to defend life in the Mediterranean against the attacks of multinationals and governments who are complicit and care little about our collective welfare.

**Andrew Henry William Brons (NI).** – Madam President, the resolution is looking at one problem, that of the risks of deep-water drilling, in isolation from the related problem that we are running short of easily accessible oil.

We might already have passed the point at which we have used over half the world's supply. Those who would stop or inhibit deep-water drilling must explain how they would find an energy-dense substitute for oil. Or would they be happy for future generations to be returned to a non-industrial society?

There is no comparison between the risks of drilling in the shallow waters of the European continental shelf and the waters in the Gulf of Mexico. The proposers of this resolution are quite right to be horrified by the environmental and other costs of the BP tragedy in the Gulf. However, they must also be aware of the costs of a moratorium on deep-water drilling.

**Angelika Werthmann (NI).** – (DE) Madam President, unfortunately, none of us can undo the Deepwater Horizon accident. We must therefore take every necessary step to ensure that such an environmental disaster never occurs in EU waters. I feel that to do this, three things are absolutely essential. Firstly, we must make as much provision as possible; in other words, we must cost in all the risks of offshore extraction. Secondly, we must ensure the highest level of security and create binding EU minimum security provisions. Thirdly, we must guarantee the highest standards of environmental protection.

I believe it to be of the utmost importance that we investigate our capacity to react to accidents and that we create a common European and, I hope, worldwide system to avoid such environmental disasters.

**Günther Oettinger, Member of the Commission.** – (DE) Madam President, honourable Members, representative of the Presidency of the Council, I would like to express my thanks for your committed, factual and very numerous contributions regarding the consequences and the measures to be taken. That applies to your many parliamentary questions in recent weeks that we have had to answer, as well as to today's debate, which we have followed attentively and will evaluate and take into account in our communication that will follow within the next two weeks.

I agree with many of the suggestions made and add my support to them. For example, we are having intense dialogue with BP to ensure – and there is a good chance of doing so – that BP not only accepts the highest security standards, higher than those at present, in European waters, but also exports these standards, if I may put it like that. BP will be prepared to apply the same standards to similar drilling and rigs off the coast of Libya as in the North Sea, even though, under Libyan law, this may not be necessary in order to obtain authorisation and may not be laid down in legislation.

Then we must tackle the issue of where we only want to make proposals for standards to be observed in national law and where we want to create European law. This will be more limited in the case of oil vessels than in the case of mobile transport, but does not exist at all at present in respect of stationary rigs. Some have called for us to move out of oil and into renewable energy instead. We support this too. Let us not be under any illusions, however. Our European economy and society will continue to require large volumes of oil for transport for the coming 20 to 30 years at least. There is no prospect of the aircraft taking you home from Brussels to your home countries – to Madrid, Lisbon, Sofia, Riga or Munich – managing without oil in the next 20 to 30 years.

As members of a mobile community who take flights, we all need oil if Europe is not to come to a standstill. The same applies to long-distance coaches and buses; the same applies to transport by heavy goods vehicle; and, despite the development of electric cars, it will

still be true for individual transport, for cars, for a long time to come. At present, there are just over 200 million cars registered in the countries of the European Union. If Poland and the new Member States achieve the same density as currently exists in France and Germany, then in 15 years' time, there will be 300 million cars. While they may be energy efficient, the vast majority of these will nonetheless run on oil. In other words, moving away from oil and into renewable energy is a long-term policy, but over the coming 10 to 30 years, demand for oil in Europe will not decline. Given the need for the vehicle density of some states to catch up, it will instead tend to increase slightly – however efficient we make it. This is even more true at a global level.

This is why we need the highest level of security possible: for the required extraction of oil for our economy and society, as I have outlined.

We will come back to you on this and I am counting on your support. I would also like to thank the Member States, who have been very constructive in this area. Nonetheless, I would urge you to work on your national governments with the same intensity as you have demonstrated here today, so that the Council may also be prepared to pass such legislation on higher standards either unanimously or with a clear majority. I am not yet convinced that all the Member States are currently prepared for European standards to be passed by you and the Council following proposals by the Commission.

**Olivier Chastel**, *President-in-Office of the Council*. – (FR) Madam President, I should, in turn, like to thank you for this interesting debate. Indeed, the speeches at times revealed very different points of view. I heard what were, at times, diametrically opposed views from the same political group. This is highly instructive.

I wish to make three points. Firstly, do we need more legislation to improve the safety of the offshore industry? As I indicated in my speech, the assessment conducted so far indicates that stringent measures are already in place – this point has been made. The Commission, which I should like to remind you has the monopoly on initiating actions, is currently finalising its assessment, but it has already noted that for an industry to be made safer, there first needs to be better monitoring and better enforcement of the existing regulatory framework. We will therefore see what it intends to propose to us in this area.

Furthermore, as I have already said once today, the Commission is examining the EU's disaster response capability with a view to improving the safety of the offshore industry, which is an important factor in this area. In anticipation of legislative proposals, I should like to point out that, unlike what some Members have said today, this issue is clearly still a concern for the Council. At the Informal Meetings of Energy Ministers on 6 and 7 September, the Presidency asked for the first assessments to be carried out, communicated and discussed.

The second point: can a moratorium be justified? Clearly, it is difficult to answer that question directly. In any event, we think that the first requirement for any given piece of legislation is to actually enforce it. We also note that the industry does not seem to be waiting for this future regulatory framework to be established; the industry itself is reviewing a number of safety-related measures at the preventive and operational stages.

Finally, it must be understood that the material situation in Europe is quite different, since most of the drilling in the Gulf of Mexico takes place at a depth of 1 500 metres, which clearly makes it difficult to shut down operations in the event of a disaster such as that

which occurred. Most drilling in Europe takes place at depths of no more than 200 metres, which allows much more scope to act, or, in any case, makes taking action easier.

Finally, Madam President – and the Commissioner just spoke about this – is this accident going to speed up EU energy and renewable energy policy? This policy is, of course, already ambitious, but we are going to keep on aiming higher. The policy will definitely help us to reduce our dependence on oil and, generally speaking, to move towards a low-carbon society. As the Commissioner has just said, however, we cannot simply wave a magic wand and get rid of oil within the next 10 years. I am confident that the 2011-2020 energy strategy, which is due to be adopted at the start of next year, will accelerate this transition to an oil-free economy.

**President.** – I have received one motion for a resolution<sup>(2)</sup> tabled in accordance with Rule 115(5) of the Rules of Procedure on behalf of the Committee on the Environment, Public Health and Food Safety.

The debate is closed.

The vote will take place on Thursday, 7 October 2010.

#### **Written statements (Rule 149)**

**Cristian Silviu Buşoi (ALDE), in writing.** – (RO) Thanks to the non-legislative resolution which was adopted by a huge majority, the European Parliament has sent a very clear signal to both the Commission and oil companies, specifically for them to take the necessary measures to eliminate the current shortcomings in terms of safety standards and liability in the oil extraction industry. Deep-sea drilling licences must be tightly controlled. Additional measures are required to prevent oil slicks, real environmental disasters which the European Union cannot tolerate.

Given the ever-growing difficulty in finding oil and the increase in potentially dangerous deep-sea oil production activities, some general consideration must be given to the measures which need to be taken in the future. The efforts promoting environmental protection must be continued at a steady pace and the European Union must fulfil its role of protecting its citizens and nature, with which we all must live in harmony, by regulating oil extraction activities. Any oil spills which have happened, even in the past, would have a disastrous impact on the environment, causing damage to fishing or tourism as well. Consequently, European environmental liability legislation must also include the damage caused to marine waters.

**Ioan Enciu (S&D), in writing.** – (RO) I welcome the view put forward by my colleague, Jo Leinen. Europe must take a stance on one of the biggest disasters of the century. The incident involving the Deepwater Horizon oil platform in the Gulf of Mexico and the huge volume of oil spilt into the Atlantic Ocean has, and will have, a major impact on the world's climate. The North Atlantic Current is undergoing significant changes in temperature, which will result in lower minimum temperatures in Europe this winter. The Council and Commission must take precise, transparent action, adopting measures which will guarantee the safety and security of oil extraction operations, as well as a high level of environmental protection and ecological disaster prevention in the European Union. The European Union must also maintain its position on climate change, while also protecting and facilitating

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(2) See Minutes

the proper exploitation of oil fields to guarantee fossil fuel requirements. Parliament, the Commission and Council must collaborate with each other to devise a foolproof action plan.

**András Gyürk (PPE)**, *in writing*. – (HU) Ladies and gentlemen, I would like to thank Commissioner Günther Oettinger for his attempt, on the heels of the American oil platform accident, to analyse whether EU regulations would be adequate to prevent similar environmental disasters. Perhaps we can conclude that Community rules put more emphasis on post-disaster measures than on prevention.

This deficiency was made painfully evident by a serious environmental disaster. On Monday, there was a breach in the reservoir dam of a Hungarian alumina plant. The mud with its highly toxic chemical contents flooded the neighbouring fields and villages. The disaster caused fatalities and may cause soil and water contamination of an as yet unknown magnitude. To make matters worse, the heavy metals may cause serious air pollution. Responsibility belongs to the company operating the plant, but it will hardly be able to compensate for the incalculable damages by itself.

The lesson is obvious. First, there must be insistence at Community level as well that national authorities enforce the seemingly severe regulations rigorously. Secondly, the relevant regulations must be strengthened by requiring companies to have adequate insurance coverage even for accidents of this magnitude. Until we move forward in these areas, the cost of any compensatory damages will be borne by innocent taxpayers.

**Ian Hudghton (Verts/ALE)**, *in writing*. – Madam President, The Gulf of Mexico oil disaster serves as a reminder of the inherent risks involved in maritime oil exploration. The investigations into what went wrong in American waters must be full and rigorous and the EU should pay careful attention to any lessons needing to be learned. Nevertheless, the calls for a moratorium on all deep-sea drilling in EU waters are premature and wholly disproportionate. The regulations in place in Scottish waters are not those which were in place in the Gulf of Mexico and we have decades of experience in this industry. Scottish oil exploration has not been without incident and the Piper Alpha catastrophe showed that some prices are too high in the pursuit of oil. However, lessons were learned from Piper Alpha and regulations were tightened up. If further lessons emerge from the Gulf, appropriate amendments can be made. These amendments should, however, be the responsibility of the democratic institutions of Scotland – and knee jerk reactions from this Parliament are unlikely to solve any problems.

**Alajos Mészáros (PPE)**, *in writing*. – (HU) The European Union urgently needs to establish a strategy in order to be able to easily prevent future environmental disasters like the disaster caused by BP in the Gulf of Mexico. The Deepwater Horizon accident was one of the greatest disasters of recent times, with some 4.4 million barrels of crude oil spilling into the sea over the duration of the leak. Even the rescue operation was questionable due to the difficulty in deciding which type of technology to use and how to proceed. Meanwhile, the oil gushing from the bottom of the sea destroyed all living creatures. In the opinion of British environmental chemists, no other intervention should have been made besides keeping the oil slick away from the coastline. Marine biologists said that burning some of the oil slicks and using dispersants to get rid of pollutants does more harm to wildlife than the oil spill itself, given the relatively fast breakdown of the type of oil in question. At this point, I would also like to recall what happened in Hungary a few days ago when several tonnes of a caustic red sludge covered the residents of three communities in Veszprém

County after the dam of a waste reservoir burst at an alumina plant near Ajka. I would like to call upon the European Commission to provide adequate material aid from the EU to assist the victims of the disaster and to help clean up the area. Thank you.

**Daciana Octavia Sârbu (S&D)**, *in writing*. – (RO) It is absolutely imperative for us to take every measure we can to ensure that a disaster like Deepwater Horizon will not be repeated in European waters. The review of environmental as well as of health and safety legislation governing deep-sea oil drilling is a welcome and necessary process. The Council and Commission must aim to develop a strategy which will ensure harmonisation between the levels of protection across the whole of the European Union. Otherwise, discrepancies between operation and drilling standards in Member States will enable companies to provide high protection levels only when and where they are forced to do so. It is impossible to quantify the human, social and environmental costs of the Deepwater Horizon disaster in financial terms. However, oil extraction operations must be appropriately insured to cover worst case scenarios. This is the only way to ensure that the taxpayer will not be obliged to bear the cost of clean-up operations, while local companies and communities affected by oil spills can receive the compensation to which they are entitled.

**Salvatore Tatarella (PPE)**, *in writing*. – (IT) The Deepwater Horizon oil spill in the Gulf of Mexico must stand as a warning for Europe as well. We must do everything possible to prevent this kind of disaster occurring in our own seas. I believe that the resolution approved today is a step in the right direction to ensure the protection of marine and coastal environments in Europe. I also believe it is imperative for the Member States to examine urgently all aspects of oil extraction and exploration in the European Union. Safeguarding our planet must be a priority, above all, to guarantee future generations a sustainable environment. We must therefore approve tough legislation in this sector as quickly as possible in order to ensure the application of high safety standards to all existing oil platforms and to limit future extraction.

## **12. Contribution of biodiversity and ecosystems to the achievement of the Millennium Development Goals - Conference on Biological Diversity - Nagoya 2010 (debate)**

**President.** – The next item is the joint debate on the following reports:

– the oral question to the Council by Jo Leinen, on behalf of the Committee on the Environment, Public Health and Food Safety, on key objectives for the Conference of the Parties to the Convention on Biological Diversity in Nagoya, 18-29 October 2010 (O-0111/2010 - B7-0467/2010);

– the oral question to the Commission by Jo Leinen, on behalf of the Committee on the Environment, Public Health and Food Safety, on key objectives for the Conference of the Parties to the Convention on Biological Diversity in Nagoya, 18-29 October 2010 (O-0112/2010 - B7-0468/2010);

– the oral question to the Council by Michèle Striffler, on behalf of the Committee on Development, on the contribution of biodiversity and its ecosystem services to development and the achievement of the MDGs (O-0107/2010 - B7-0464/2010);

– the oral question to the Commission by Michèle Striffler, on behalf of the Committee on Development, on the contribution of biodiversity and its ecosystem services to development and the achievement of the MDGs (O-0108/2010 - B7-0465/2010).

**Karin Kadenbach**, *deputising for the author*. – (DE) Madam President, Commissioner, ladies and gentlemen, a few days ago, I was sitting down with a group of journalists talking about matters that were particularly close to my heart this autumn. One of these, quite rightly, is biodiversity. As you know, the Conference of the Parties to the Convention on Biological Diversity is shortly to be held in Nagoya, and I have the honour and the pleasure of participating as part of the parliamentary delegation and as co-author of the resolution on biodiversity that will be voted on in Nagoya. So I was sitting talking to the journalists when I was asked why we permit ourselves the luxury of, say, saving the beaver. My home region of Lower Austria has succeeded in saving a species that was threatened with extinction and these have now spread out over a wide area – somewhat to the chagrin of farmers and foresters, whose feelings on the beaver are rather different.

While the European Union and many agencies in the Member States work very hard and with great commitment, supported by NGOs, to protect species, this conversation demonstrated once again that many people see the protection and maintenance of biodiversity as something of a luxury. They ask whether the EU has nothing more pressing with which to concern itself than saving a couple of threatened orchids or animal species. Does it make any difference, people often ask, whether there are 500 or just 499 different animals to gaze at in the zoo? Ladies and gentlemen, for these people, the subject of species preservation and biodiversity is hardly a priority. Let us be honest; the subject of biodiversity is nowhere near as high on the political agenda as topics such as economic growth or security. It should be, however, because we are underestimating the importance of this matter.

The matter of species preservation – and this is my point – is not some kind of charitable institution for a few poor little bugs that we should simply manage to do without. Do not misunderstand me: species preservation is indeed related to a love of flora and fauna, but principally, it concerns security, labour market policy and migration policy. For what is often forgotten in discussions of biodiversity is the role that animals and plants play in our ecosystem. They are nature's service providers that keep our ecosystem running. It is thanks to the multitude of different species and their interaction with each other that coastlines are not eroded away, that avalanches do not occur, and that bodies of water are self-cleaning. We are talking here about an essential element of sustainable development, with their vital goods and services such as providing food, binding carbon and regulating waters – things that form a basis for economic welfare, social well-being and quality of life. If the species die out, the natural equilibrium is disturbed – triggering a dangerous domino effect. Replacing the services provided by these plants and animals is an expensive business. Eventually, certain regions and habitats become no longer habitable or can no longer be used. As a consequence, these habitats may no longer be able to provide the ecosystem with their valuable goods and services. Not only that; the possible further consequences such as unemployment, lack of security and emigration are things we all fear.

Protecting species is thus quite clearly a matter that affects a number of policy areas. The Committee on the Environment, Public Health and Food Safety emphasised this recently, having worked intensely on ascertaining the position of the European Parliament. I should also like to mention a few figures. Scientists estimate that replacing these natural services and dealing with consequences such as unemployment and migration would cost 7% of gross income worldwide. If that does not astonish you, then here are some more figures. According to the latest study by the European Commission, 25% of European animal species are threatened with extinction. The same study also says that the coastal ecosystems of Europe are constantly being destroyed. Certain regions that have considerable biodiversity

are similarly in decline. In contrast, areas of manmade development such as industrial parks, residential developments and transport infrastructure have increased by 8% since 1990.

Ladies and gentlemen, as you will be aware, the actors negotiating in Nagoya do not always agree on what the conference hopes to achieve. Developed countries want strong goals, NGOs want ambitious goals, while – not surprisingly – the economic players are happy with realistic goals. In my opinion, the EU must set the bar high in Nagoya and, just as here in Europe, must work to bring the business community more on board – particularly those sectors and branches of industry that make significant use of biological resources. The EU can decide whether it wants to be a good example or a poor one.

Ladies and gentlemen, it is October already and many people in Europe have not even heard yet that this year has been designated the International Year of Biodiversity. Let us together ensure that biodiversity is given the status that it deserves and that it needs if it is to continue to offer its ecological services in the future. Allow me to repeat an oft-quoted Indian proverb: 'Only after the last tree has been cut down, only after the last river has been poisoned, only after the last fish has been caught, only then will you find that money cannot be eaten'.

**Gay Mitchell**, *deputising for the author*. – Madam President, I am grateful for the opportunity to speak in this debate.

Last week, I chaired Parliament's delegation to the UN summit on progress towards the Millennium Development Goals. For the duration of the summit and at each side event, I was gripped by the enthusiasm of my colleagues, governments, international organisations and the people on the ground who are committed to achieving the ambitious targets set in 2000. Some progress has been made and there is much we can be proud of, but much more needs to be done.

Access to education is rapidly improving. Enrolment in education has reached 76% in Sub-Saharan Africa and 94% in North Africa. Access to drinking water is increasing. By 2015, 86% of those living in the developing world will be able to access clean drinking water – up from 71% in 1990. Targets for accessing drinking water have already been met in four regions – Northern Africa, Latin America and the Caribbean, East Asia and South-Eastern Asia. Access to energy is increasing. There is near universal access to electricity in North Africa.

However, although progress has clearly been made, there is so much more that needs to be done. It was put to us by an Assistant Secretary of the United Nations that we really do need 'a dash to the finish' over the next five years. One billion children live in poverty, 1.4 million children die each year from lack of access to safe drinking water, and 2.2 million children die each year because they have not been immunised by vaccines that are so easily accessible in the developed world and which we have had for over 30 years.

Goal 7 of the Millennium Development Goals is to ensure environmental sustainability. Within this goal, there are several sub-targets. Target 7b is perhaps the most encompassing: 'reduce biodiversity loss, achieving, by 2010, a significant reduction in the rate of loss'. The indicators of biodiversity include, inter alia, the proportion of land area covered by forest, CO<sub>2</sub> emissions, the proportion of total water resources used, consumption of ozone depleting substances, and the proportion of fish stocks within safe biological limits. The



reduction in biodiversity loss is therefore a key component of the Millennium Development Goals.

Seventy per cent of the world's poor live in rural areas and depend directly on biodiversity for their survival and well-being. The urban poor also rely on biodiversity for ecosystem services, such as the maintenance of air and water quality and the breakdown of waste. There can be little doubt that biodiversity and climate change will affect the world's poor first. It will affect countries like Tuvalu in the Polynesian islands – a country that is merely four and a half metres above sea level – and the Maldives, where President Nasheed held an underwater cabinet meeting this year to highlight the fact that by the end of the century, his country could indeed be under water.

I am calling on the Member States and the Commission to give new impetus to the global climate change alliance and its support facility in order to increase developing countries' capacity-building and knowledge base on the expected impacts of biodiversity loss and to effectively integrate it into development plans and budgets.

I have also highlighted the fact that programmes aimed at the protection of biodiversity and poverty reduction must address the priorities of the poor and put more emphasis on locally-based environmental management, ensure access to biodiversity resources, land reform, and acknowledgement of customary tenure.

By 2050, there will be two billion more people on the face of the earth and 90% of these will be born into what is now the developing world. If we allow abject poverty to continue in those countries, there will be massive migration from south to north and inequality could well be the cause of a world conflagration.

Many of us did not believe we would see the Berlin Wall come down in our lifetime. Now we take it for granted that the former Soviet-dominated countries are our EU partners. The wall of poverty between north and south can also come down and we can make a world that is better and safer – a place where we can have new partners and an environment safe for us all.

### IN THE CHAIR: DIANA WALLIS

*Vice-President*

**Joke Schauvliege**, *President-in-Office of the Council*. – (NL) Madam President, honourable Members, first of all, thank you for giving me the opportunity to speak here today on this very important subject, namely biodiversity. In its conclusions of 15 March 2010 entitled 'Biodiversity: Post-2010 EU and global vision and targets and international ABS [access and benefit sharing] regime', the Council emphasised that biodiversity was to be conserved and irreversible damage to ecosystems and their functions avoided, not least in order to secure social and economic stability and achieve the Millennium Development Goals.

The Council issued a reminder that biodiversity plays a central role in the global fight against hunger and in ensuring food security, and also that it makes a key contribution to creating prosperity and reducing poverty. In most developing countries, the relation between the protection of ecosystems, on the one hand, and employment, income and livelihoods, on the other, is much closer than in the EU.

With a view to the 10th meeting of the Conference of the Parties to the Convention on Biological Diversity (CBD), the EU wants to contribute actively and constructively, via a

realistic, ambitious approach, to a global consensus on the measures to be taken beyond 2010 to promote biodiversity. These include measures capable of developing a perspective on the strategic plan beyond 2010 that may, for instance, have a time horizon up to 2020, a vision that may have a time horizon up to 2050, a perspective on the sub-targets and important milestones linked to measurable indicators, and finally, a perspective on the introduction of appropriate facilities for monitoring, assessment and follow-up.

The High-Level Meeting of the General Assembly of the United Nations held in New York two weeks ago, on 22 September, was a good opportunity to call on the international community to recognise the critical state of biodiversity throughout the world, and also to emphasise the need to safeguard the basis of life on earth in the interests of humankind and of future generations and to take appropriate initiatives at all levels.

With regard to technical support for the least developed countries, the Council believes that the development and transfer of best practices and technologies is essential in the fight against biodiversity loss, climate change and desertification. It is important to achieve coordinated action and to make satisfactory, cost-effective use of resources.

With regard to financing, the Council takes the view that the establishment of an effective post-2010 policy framework and the introduction of a new strategic plan for the CBD will require appropriate mobilisation of resources from all possible sources, covering both public and private finance, and including new forms of financing and financing for measures to combat climate change. The Council takes the view that consideration should be given also to releasing financial resources for biodiversity by altering, eliminating or reorienting subsidies harmful to biodiversity. The integration of biodiversity into the activities of the business community and into other sectoral policies remains a necessity and a priority objective.

The Council conclusions as far back as 5 December 2006 pointed out, in response to the Message from Paris on biodiversity, that biodiversity and the sustenance of ecosystem services were to be included in policy dialogue with partner countries and regions. In the process, these partners were to be encouraged to further identify needs and prioritise them in national and regional development strategies and plans. The Council remains convinced that the integration of ecosystem services and biodiversity into development cooperation programmes and subsequent financial support is the only way of achieving sustainable results.

Even though there is a clear link between the Århus Convention on access to information, public participation in decision making and access to justice in environmental matters, on the one hand, and biodiversity, on the other, account must be taken of the fact that this convention was drawn up within the framework of the United Nations Economic Commission for Europe (UNECE). Although the convention is open to accession by non-member countries of UNECE, our development partners are not parties to this convention at present.

I should like to thank you for your interest, and I look forward to your debate, which I am convinced will raise many new elements.

**Janez Potočnik**, *Member of the Commission*. – Madam President, the European Union's strategic objectives for Nagoya are set out in the Council conclusions of 22 December 2009 and 15 March 2010 and will be further elaborated and refined by the Environmental

Council on 14 October 2010. Three issues stand out, in particular, as priorities for the European Union.

The first is the adoption of the new strategic plan for the convention for the period 2011-2020. It should reflect the best available scientific knowledge about the state of biodiversity and provide an effective framework of implementation that is sufficiently ambitious to trigger step-up action by all the parties to the convention. This is vital if we are to prevent further species extinctions and enable biodiversity to continue providing the essential goods and services that we all depend on, and especially the poor.

The second strategic priority for the European Union is to conclude negotiations on the Protocol on access and benefit sharing as a key contribution to the conservation and sustainable use of biodiversity beyond 2010 and in line with the commitment taken by all the parties at COP 8 in 2006. This is an expectation widely shared by developing country parties to the convention, many of which see it as their top priority.

The third is to ensure that adequate resources are mobilised to enable the implementation of the post-2010 biodiversity policy framework, including the new strategy plan. The EU as a whole is committed, as part of its 2020 biodiversity target adopted earlier this year, to step up its contribution to averting global biodiversity loss, but I think we can also be pretty proud of what we are actually doing. Over the period 2002-2008, the European Union provided over USD 1 billion, approximately EUR 740 million, for global biodiversity annually, largely through the Thematic Programme on Environment and Natural Resources under the Development Cooperation Instrument, but also the EDF, both of which include adequate provisions for biodiversity.

Member States have also contributed significantly to the recent replenishment of the Global Environmental Facility, for which USD 1.2 billion is earmarked for biodiversity. This represents a 28% increase compared to the last replenishment, and the new EUR 1 billion MDG initiative announced by President Barroso at the UN General Assembly in New York last month can clearly also benefit biodiversity.

The Commission is currently updating its own biodiversity-related development cooperation figures, using the same methodology as it has used to account for climate-related funding, and we are, of course, encouraging Member States to do the same so that we can present a consolidated figure in Nagoya.

We also need to look at other ways of how we can contribute to enhancing implementation of the Convention on Biodiversity and help developing country parties deliver on their commitments under the convention, in particular, the new post-2010 strategic plan that will be adopted in Nagoya. We intend to explore ways and means to do this, together with our partners in Nagoya.

Biodiversity loss is not a new challenge to poverty alleviation, as already mentioned. The 2010 Biodiversity Target was incorporated into MDG 7 already in 2002 and the EU itself has explicitly underscored the important linkages between biodiversity and development on many occasions. Just last month in his statement during the High-Level Event on Biodiversity at the United Nations General Assembly, President Barroso remarked that our ability to end poverty and hunger and improve child and maternal health depends on the long-term availability of fresh water, food, medicine and raw materials that nature provides.

This is also recalled in the 2010 MDG report, in the EU policy framework to assist developing countries in addressing food security challenges, and in the Commission's

Policy Coherence for Development work programme 2010-2013, which includes a specific target for biodiversity and accompanying indicators as part of the operational framework to enhance the coherence of EU policies with development objectives.

What is perhaps new is the increasing knowledge and awareness about economics of biodiversity loss and the extent to which this undermines prospects for alleviating poverty in the long term. The international study of The Economics of Ecosystems and Biodiversity (TEEB) shows how costly biodiversity loss and ecosystem degradation is to our economies, including the economies in developing countries. So it is not any more a moral question; it is actually a question of our quality of life, and yet the conservation of biodiversity and ecosystems is not seen as a development priority.

It is hoped that TEEB will go some way towards changing this situation so that more of our developing country partners give higher priority to biodiversity conservation and sustainable use in their development strategies but, even where it is not a focus of action in country and regional support strategies, European development policy nevertheless requires that environment and sustainable management of natural resources be treated as a cross-cutting issue to be integrated into all development activities. Both the Development Cooperation Instrument and the European Development Fund include provisions for addressing biodiversity.

To conclude, with regard to mechanisms for ensuring the right of access to information and public participation in decision making related to biodiversity, the EU fully supports the draft COP 10 decision on the strategic plan, which urges parties and other governments to enable broad and effective participation in the full implementation of the objectives of the convention and strategic plan. We also believe that the Protocol on access and benefit sharing should oblige contracting parties to establish domestic frameworks that allow indigenous and local communities to take prior and informed decisions on whether or not to give access to their traditional knowledge.

I would endorse everything said by the authors of the questions and I am truly grateful for their valuable contributions.

**Esther de Lange**, *on behalf of the PPE Group*. – (NL) Madam President, Mrs Schauvliege, Commissioner, the most important thing we shall be asking of you tomorrow in our resolution will be ambitious yet realistic objectives in Nagoya. The intelligent approach would be to agree measures there that not only safeguard biodiversity but also combat the effects of climate change, help to achieve the Millennium Development Goals – about which a good deal has been said already – and create green jobs, not least in the European Union. Four birds with one stone – that is what I call value for money.

In order to achieve this, however, the European Union does need to speak with one voice. I have to be honest with you: my spirits are sinking a bit in that regard. I have heard many references to Council statements from previous years and from March of this year, but I have heard little in the way of specifics. Nevertheless, I should hope that the thoughts of the Commission and also of the Council have advanced since the generalities in the 15 March statement. I hope so, at least – we shall see on 14 October. I also hope that we learn from our past mistakes; that we do not go to another international summit armed with a mandate characterised by vagueness and generality and that we, the European Union, do not again spend all our time there in mutual consultations on how to react to developments, leaving no time to play the leading role for which Mrs Kadenbach, among others, has called.

The final point to which I should like to draw attention concerns the mainstreaming of biodiversity into other policies. We, Parliament, called for such coherence in the field of the environment and other policies in the recent report on biodiversity in the European Union; similarly, we must also mainstream biodiversity at international level. Biodiversity is not just a matter of the environment or of the Millennium Development Goals; in other spheres, too, such as the World Trade Organisation (WTO), non-trade concerns such as biodiversity must be placed much higher on the agenda. Commissioner, I know that biodiversity is something you hold dear. I hope that you do convey this message about international mainstreaming to your counterparts at international level.

**Michael Cashman**, *on behalf of the S&D Group*. – Madam President, I was also at the UN with Mr Mitchell and represented the Parliament on the issue of the MDGs. I want to congratulate the Commission on what they are doing, but I want to inform the House that we in the EU lead internationally on these issues – on biodiversity, on climate change and, indeed, on the MDGs' poverty alleviation – but, interestingly, at the UN, we are only given observer status. That must change, as we lead the world on these issues.

We have the Year of Biodiversity, but I would suggest that every year should be the year of biodiversity. Our citizens – maybe in the visitors' gallery, maybe watching at home – will ask what this has got to do with them. Without public awareness and the raising of awareness, nothing will change. They must realise that the tin of tomatoes that they pick up in the supermarket would not be there if it were not for biodiversity. We need a 360 degree awareness of what this means. As Mr Mitchell brilliantly put it, this wall of poverty – and, may I add, deprivation – must come down.

We talk of policy coherence in this House, but let me just refer to some of these issues: without policy coherence on access to energy in the developing world, deforestation, climate change, food security, the reform of the common agricultural policy, the common fisheries policy, land grab, natural resources and access to water, we will never protect biodiversity and we will never end the suffering of the world's poor.

**Gerben-Jan Gerbrandy**, *on behalf of the ALDE Group*. – Madam President, as we discuss the European position at the Nagoya Summit, outside this House, a hunt is being undertaken: a relentless hunt for resources, a hunt for oil and gas, minerals, timber, food and water, a hunt for resources that are all provided by nature.

In this hunt, Chinese investors want to construct a highway through the Serengeti National Park to exploit the resources of Central Africa. There are Saudi investors putting billions of dollars on the table to build 6 000 kilometres of roads through the rainforests of the Congo to start huge palm-oil plants.

We all want to stop the loss of biodiversity, but in the real world, this hunt for resources is frustrating our goals. That is reality. Therefore, the only way to stop the loss of biodiversity is by radically changing our behaviour.

We need biodiversity for food, shelter, medicines, clean air, water, and so on and so forth. We simply cannot survive without it. We are reaching a tipping point at which damage is irreversible and, even worse, accelerating. That is the sense of urgency of the Nagoya Summit and that is the sense of urgency I expect from the ministers and commissioners who attend.

Unfortunately, political declarations and resolutions will not be sufficient to reach this sense of urgency. We need much more pressure. For that reason, I have started an online

campaign, along with many colleagues from all over the world. I want all of the people to have their voice heard on this issue; because people care about this. Go through Facebook to stop biodiversity loss and support this campaign. I will, together with many colleagues, present the thousands of signatures to the decision makers in Nagoya, to let them know that people depend on their perseverance and persistence to make Nagoya a success.

**Sandrine Bélier**, *on behalf of the Verts/ALE Group*. – (FR) Madam President, Mrs Schauvliege, Commissioner, ladies and gentlemen, the commitments made in 1992 in Rio and in 2002 in Johannesburg have not been respected. Our strategies for halting the loss of biodiversity have been a failure, and we know the reasons for this failure.

The climate is changing, biodiversity is diminishing, and humanity must be determined to adapt itself more and more quickly, and in ways which are more and more difficult. In Nagoya, with a few weeks to go before Cancún, the European Union has the opportunity to argue in favour of adapting our economic development model to face up to the challenges of the 21st century.

Climate deregulation, halting the loss of biodiversity and combating poverty: these three challenges, and the responses needed to face up to them, are intimately linked. We have the responsibility of proposing and introducing a new development model which is fairer, more equitable and more sustainable.

So let us speak clearly and practically. Parliament's resolution identifies three key challenges which now raise several questions about the Commission's and the Council's position.

The first challenge, of course, is to start protecting and restoring biodiversity. This presupposes adequate financing, the withdrawal of all public aid which is harmful for biodiversity and a dedicated budget which we propose should be multiplied tenfold. However, is the European Union ready to commit 0.3% of its GDP to its policy for halting biodiversity loss and to convince the OECD countries to do the same?

The second challenge is the cost of biodiversity loss to society, which has only just begun to be evaluated. It is thought to be around 1% of global GDP, but this evaluation does not take into account the social, cultural, moral and scientific value of biodiversity.

Is the European Union determined to resist the monetisation of living things? Is it determined to defend the common inheritance of humankind and to reaffirm that nature is priceless and is not for sale?

Finally, the third challenge is to stop the pillaging of genetic resources by businesses and industries. One solution is to regulate access to genetic resources in a way which, in particular, respects fully the rights of indigenous and local communities.

The European Union will still have a particular responsibility in these negotiations. As such, is it determined, firstly, to defend the principle of the non-patentability of life and, secondly, to support the repayment of the ecological debt to the countries of the South by supporting the retroactivity of the system which is to be adopted?

**Nirj Deva**, *on behalf of the ECR Group*. – Madam President, biodiversity is not some abstract word that is used by abstruse scientists to look after some environmental peculiarity. Biodiversity is the very core of our survival on this planet as a human race.

Take, for example, a recent calculation done by Dr Pavan Sukhdev about the loss of biodiversity and the value of that loss. His findings show that deforestation alone – the loss

of the Earth's lung, which changes carbon dioxide to oxygen and which enables us to breathe – is costing USD 4.5 trillion every year. Every year, we are losing in replacement costs 4.5 trillion US dollars' worth of oxygen manufacturing process. That is about the size of the New York Stock Exchange.

If, every year, we lost an asset with the value of the New York Stock Exchange, I am sure everybody in this room would be up and running around, but because it is biodiversity, nobody seems to care. That is an enormous amount of funding that would be required to replace the loss of oxygen that we cut down by cutting these trees.

Take the collapse of the Newfoundland cod fisheries in the 1990s. It has cost CAD 2 billion in replacement costs. If we lose – as we are doing – some of the pharmaceutical genetic material which comes from biodiversity, we will be losing about 640 billion dollars' worth of raw materials. This is a very serious issue and we need serious people making serious decisions.

**Kartika Tamara Liotard**, *on behalf of the GUE/NGL Group*. – (NL) Madam President, in two weeks' time, we shall all be heading to Nagoya, Japan, to discuss biodiversity. I wonder whether bluefin tuna or whale will be on the menu served up by our hosts. However, the big debate there will once more concern whether to start by coming forward with money or by talking about objectives. Developing countries would prefer us to start by putting money on the table and the EU would prefer to start by discussing objectives.

One thing is clear, however, and that is that we have to halt the loss of biodiversity no matter what. The costs of failing to act are estimated to exceed USD 4 000 billion by 2050. Failure to act is not an option, therefore, and so I am disturbed that, *inter alia*, the new Dutch Government means to reduce the budget for development aid – one of the most vital financial resources for combating biodiversity loss in developing countries – by EUR 1 billion.

If the EU really wants to achieve something in Nagoya, it must take the lead and develop sound agricultural and fisheries policy itself rather than waiting until after Nagoya to come up with proposals on this. When reforming agricultural policy, we must look beyond merely sustainable agricultural policy and must take a firm stand. Therefore, I call on the Commission to transpose what is agreed in Nagoya into proposals that can be measured and monitored and to develop a long-term vision, so that, in 2011, we do not need to say once again that we have been unable to halt biodiversity loss.

**Anna Rosbach**, *on behalf of the EFD Group*. – (DA) Madam President, biodiversity has a bearing on everything – quite simply. Therefore, we must fight to conserve it at the conference in Nagoya. However, as we are constantly felling forests, cultivating new land and damming rivers, there is clearly a lack of knowledge and ability when it comes to including habitats and ecosystems in national legislation. Everything from modern agriculture, fisheries, housing development, road networks and transport to numerous types of industry have a negative effect on the planet's biodiversity. Marine life is in a poor state. Over 60% of all fish and shellfish eaten in the EU are caught outside the EU. We have overfished, and stocks are having a difficult time recovering. The Baltic Sea has a historically high level of pollution. Pregnant women in Sweden were advised not to eat locally caught fish. The EU Member States may have taken steps towards improving natural conditions, but where is the rest of the world? What can we do to help other parts of the world to progress in their development? Global biodiversity will diminish as a consequence of human activities – whether we have global warming or not. However, we must not make

unrealistic demands here. Biodiversity is best served by remaining realistic. It is therefore high time that we found practical, realistic solutions to preserving healthy terrestrial environments, healthy flora and fauna, as well as healthy aquatic environments.

**Claudiu Ciprian Tănăsescu (NI).** – (RO) I would like to begin by emphasising that it is absolutely imperative for the European Union to adopt a clear, united position on the issue of biodiversity for the COP 10 meeting in Nagoya. Failure to adopt such a firm, consistent position would result in another scandalous outcome, like that of the CITES Conference in March 2010. This is why I would like the recommendations made by the Committee on the Environment, Public Health and Food Safety to be accepted without reservation, as they may offer the best guide which the European Union can use to draft an official position which our representatives will be able to support wholeheartedly in Nagoya this month.

In addition to these considerations, we must not forget that it is not only the European Union's credibility at stake as a clear thinking, responsible partner in the process of making global decisions but also, above all, the destiny of the planet's future.

**Richard Seeber (PPE).** – (DE) Madam President, let me begin with a detail. Commissioner Potočník – whom I hold in very high esteem – gives figures in dollars, although he then converts these into euro. Mr Deva also gives figures in dollars. I have not looked into this in detail, but actually it demonstrates to us that the debate on biodiversity has clearly not yet arrived in Europe. Apparently, we in Europe are not yet capable of forming our own opinion on this and I think it would be a good idea if we could take this debate seriously enough to actually translate what it means in concrete terms into figures. I believe this is an elitist debate far removed from what is actually going on in the homes of our citizens. I believe that until we succeed in getting this debate into the homes and households of Europe, then we have no hope of it gaining political weight here in Parliament. In other words, I believe that the communication strategy that we should now adopt is simply to take this matter to the people, as I said, and once we know how people react, then we can set ourselves specific goals.

The Commissioner has mentioned some very specific objectives. I hope he will be able to get these adopted in Nagoya and I also hope that the Community will speak with one voice. That is always the big challenge at these international conferences.

I also believe that money alone is not enough. Many of my fellow Members have called for additional funding. That may be one way, but it is not sufficient to ensure success. Secondly, as I mentioned, we need to change our communication strategy; and thirdly, we need to improve the quality of the data that we have. It is clear that much data is still lacking and I believe that this is an area in which the Community, with its research problem, could yet do something specific.

As you know, my pet subject is water. If we get the new fisheries policy off the ground, for example, then we will have a great deal of catching up to do as regards species that need protecting. The fisheries ministers will probably pass excessive fishing quotas again, and biodiversity will once again be pushed to the sidelines. For that reason, I believe this gives us a real opportunity to show in this House that we are serious in what we say. Let us see what shape the proposals take then.

**Kriton Arsenis (S&D).** – (EL) Madam President, Commissioner, representatives of the Council, we in this House are indeed hotly debating the objectives and implementation of the new objectives for biodiversity. However, at the moment, while we are engaged in



debate, the negotiations are in danger of collapsing completely and we are to blame, the European Union is to blame. That is why I wish to address the Council and to call on it to change its stand.

We need to 'unblock' negotiations on the ABS protocol, on genetic information access, and on benefit sharing. In fact, if we do not, not only will we be guilty of maintaining a situation which fosters bio-piracy and is a crime at present towards local communities and genetic resources; we will also miss yet another opportunity for the environment, the negotiations will collapse and we shall have a second Copenhagen.

I therefore urgently call on the Council to examine this issue in depth. We need to change our stand before it is the European Union which, for the first time in its history, causes environmental negotiations to collapse.

**Chris Davies (ALDE).** – Madam President, the challenge we face in reversing the loss of unique species of life becomes depressingly apparent as this debate continues. A lot is going to be said at the biodiversity conference about the need to put in place the correct measures, but if all we end up with is a pious declaration, we will achieve very little.

I hope we can put in place a set of targets and the financial support mechanisms – no doubt linked to access to biological resources – to make them worth something. I hope we can ensure that procedures are put in place to assess and confirm compliance, and I hope that we can put in place arrangements for frequent review of the targets and for improvements to be made to the procedures as time progresses.

It is quite clear that this conference cannot possibly halt the loss of biodiversity; the pace is simply too rapid. However, if we can at least put in place the mechanisms and the structure that can eventually slow and perhaps one day reverse that loss, then it will be judged a success.

**Bas Eickhout (Verts/ALE).** – (NL) Madam President, first of all, I should like to offer Commissioner Potočník sincere thanks for his commitment to the conservation of biodiversity. We know that his heart is in the right place and that he is striving hard for this. In this respect, things are looking good in terms of Europe's commitment to Nagoya. However, we still need to agree objectives in part-fields such as fisheries, agriculture and forestry. We are still expecting ambitious objectives in all these fields, not least on Europe's part.

Yet even more importantly, ultimately, when we return from Nagoya, this has to be translated into European policy. In the coming year, we are going to review our agricultural policy, and also our fisheries policy. The Commissioner has told us that he is also endeavouring to ensure that the term 'biodiversity' features clearly in this policy. Yet the Council is silent. Hence, the question to the President-in-Office, Mrs Schaulvliege, as to what the Council is planning to do in the near future. We can, of course, make fine promises in Nagoya, but what are we going to do in the near future with regard to our own fisheries and agricultural policies? That is when it becomes really important; otherwise, our promises in Nagoya will be nothing but empty words.

**Peter van Dalen (ECR).** – (NL) Madam President, tomorrow, we shall be voting on the motion for a resolution on the Nagoya conference and, in my speech, I should like to call for attention to Amendment 1, which Mrs de Lange and I have tabled on behalf of our two groups. This amendment reconfirms the principle that life forms and living processes must

not be subject to patents. It therefore requests a breeders' exemption, enabling the further development of plant varieties to take place freely.

Without such an exemption, there is a danger that only the companies with the most money and the largest portfolios of patents will be able to survive. They would then be the ones to determine what species were placed on the market, and that would definitely not be to the benefit of biodiversity. Therefore, I make an emphatic call for your attention to and support for Amendment 1 in tomorrow's vote.

**Oreste Rossi (EFD).** – (IT) Madam President, ladies and gentlemen, from 18 to 29 October, COP 10 on biodiversity will take place in Japan, and it is important for Parliament to know what the Council intends to propose for the purpose of protecting and guaranteeing biodiversity.

Research has shown that in a study on 4 000 plants, no less than 22% were classified as threatened. This means that one in every five plants is at risk of disappearing and – another alarming statistic – many plants will also disappear that have not yet even been discovered. The same thing applies to many animal species. Along with them, we risk losing active ingredients, in the case of plants, that are fundamental to industries that are engaged in developing new products that may help to combat diseases that are currently incurable. As far as animals are concerned, if they disappear, we will lose characteristics that are important for our planet.

This September, the European Parliament approved an EU regulation on this topic with a clear vote that cannot fail to commit the Council to the same approach. We should not forget that the fight against poverty and thus, hunger too, is also fought by preserving the wealth of our natural resources, of our inestimable flora and fauna, a wealth that we cannot afford to lose and must do everything in our power to preserve.

**Licia Ronzulli (PPE).** – (IT) Madam President, in 2002, government representatives from around the world made a commitment to significantly reduce biodiversity loss by 2010. Despite the fact that this goal was brought up and stressed in various international forums, it was, unfortunately, not achieved.

The rate of this loss from the planet has accelerated to a point where it is occurring at least 100 times faster than natural cycles, and during the last 50 years, it has reached unprecedented levels. In Europe, one mammal in six is at risk of extinction, and when one species disappears, it can create a domino effect with regard to all the others. Over the last 30 years, at least 30% of all animal and plant species on the planet have been lost.

Without ambitious targets, to be adopted immediately, the biodiversity loss – this has already been stated more than once, and also reported by the WWF – that will occur between now and 2050 will cost Europe EUR 1 100 billion. Therefore, as Mrs Striffler emphasised in her question, safeguarding biodiversity represents an important aspect of the Millennium Development Goals and the Europe 2020 strategy.

Promoting biodiversity means having more weapons in our arsenal to combat extreme poverty and hunger, through the implementation of environmental sustainability policies that maintain our rich and fertile planet. We need a new strategic vision and new targets that take into account the consistent species loss and reflect the importance that we attribute to this problem.

**Edite Estrela (S&D).** – (PT) When we talk about preserving biodiversity, we are also talking about fighting climate change, about food security, about public health, about fighting poverty, about achieving the Millennium Development Goals, and about the planet's sustainable development; in other words, about our collective future.

As has already been said in this Chamber, the European Union must speak with a single voice at the Nagoya conference and do everything it can to obtain good results. Political will is needed in order to save the most threatened species of flora and fauna. Several Members have also already said that the costs of the loss of biodiversity are of the order of EUR 50 billion per annum: in other words, roughly 1% of gross domestic product. It has also been said, however – and there are studies demonstrating it – that by 2050, these costs may have increased to 7% of gross domestic product, but the return from investment in preserving biodiversity is 100 times greater.

Biodiversity is essential to mitigating and adapting to climate change, given, for example, the role of land and sea ecosystems as major carbon sinks. We therefore hope that good results will come out of the conference. That is what the European public is hoping for, and we also hope that the results will make them more aware of these challenges that we must all confront.

**Paul Nuttall (EFD).** – Madam President, 'biodiversity' is a word I often hear bandied about by Eurocrats, MEPs and lobbyists out here in Brussels. But I wonder if anybody in here can actually define what it really means, because I bet my bottom dollar that none of you can.

Oddly enough, I think it does matter that you understand what you are talking about if you are making laws for the whole of the EU.

But what does the conveniently vague and ambiguous term 'biodiversity' actually mean? Because the truth of the matter is that there is no correct number of species, whether it is on a Cumbrian farm or a Liverpool suburb or even in a Cheshire forest, and I defy the Committee on the Environment, Public Health and Food Safety to come up with a proper definition or stop using such ragbag words.

And, may I ask, where is the boundary of the biodiverse area? Is it ever applied to offshore marine environments? And if so, why are you so keen to build monstrous wind farms that are detrimental to wildlife and do not even work!

Let us be frank, you have not got a clue. There is no clear thinking, no coherent policy and no logic to what you are proposing. If you are going to preach, which is what you are doing, look in the mirror first, sort your own house out and let us start with the disaster which is the common fisheries policy.

*(The speaker agreed to take a blue card question under Rule 149(8))*

**Chris Davies (ALDE).** – Madam President, I wonder if the honourable Member would agree that we are losing unique forms of life on this planet each and every day and that there is a need for international action to try and counter that? I did not hear anything in his remarks that suggested that he did agree with that but I invite him to explain his position to the House.

**Paul Nuttall (EFD).** – Madam President, let us put a few facts in order. If you want examples of species which are disappearing, there are a lot of dodgy statistics out there – take polar bears as an example. People constantly say that the polar bear population has fallen. Yet the polar bear population is actually bigger now than it was in the 1940s.

I agree that species are disappearing, but I do not believe that the European Union – which is fundamentally undemocratic, the British people have never had a say on it – is the forum to decide this matter. It should be done in nation states.

**Csaba Sándor Tabajdi (S&D).** – (HU) Commissioner Potočnik, I would warn fellow Members against believing that the European Union can achieve its objective. It is right for us to wish to lead the way in Nagoya in protecting biodiversity, but even the European Union has not been able to stop biodiversity loss. Let us therefore be cautious and take a look at what our own tasks are. Commissioner Potočnik, who comes from a Slovenian farming family – I myself come from a Hungarian farming family – would also like to draw attention to the great contradiction between biodiversity and agricultural regulation. On the one hand, we are offering farmers support to set up artificial nests for birds, while on the other, we decree, for purposes of supporting grazing land, that the proportion of trees and shrubs may be no more than one third, and that farmers must cut out any trees in excess of that limit. In other words, we reduce the habitats of birds and other animals. The future common agricultural policy must reconcile biodiversity with agricultural subsidies. I agree entirely with the report that we must determine the value of environmental protection assets, including the market value of biodiversity, which is very difficult to determine. This is why it is very important for us to encourage and reward farmers in the future, since the market is not doing so.

**Corina Crețu (S&D).** – (RO) Ensuring environmental sustainability is one of the Millennium Development Goals, which has direct, major implications for human life. Pollution and the reckless use of agricultural land, forests and water resources cause climate change, which jeopardises the planet's natural resources.

I would like to mention one of the most serious threats, which is the increasing difficulty in accessing water sources, presenting mankind with the gloomy prospect that, by 2050, around 45% of the world's population will be threatened by water scarcity.

Unfortunately, it is only this year that the UN General Assembly has declared that the right to clean, good quality drinking water and the right to sanitation are basic human rights required to enjoy life. However, this declaration is made at a time when already more than a quarter of the planet's population has no access to drinking water and suitable sanitation. The morbidity and mortality rates resulting from drinking water unfit for consumption remain, in these circumstances, alarmingly high, especially among children. This is why I believe that the European Union must push at the Nagoya conference for a much quicker and more precise solution to these problems in the developing world, which are exacerbating poverty and the lack of prospects.

I think that the historical responsibility which developed countries have for the material and ecological state of the planet should provide a further argument in support of policies which will go against the current trend of encouraging the unsustainable exploitation of natural resources in developing countries dependent on raw material exports.

**Mario Pirillo (S&D).** – (IT) Madam President, Commissioner, on 18 October the Tenth International conference on biodiversity will open in Japan. This will be attended by the European Union, despite the fact it has not achieved the target set in 2001, in other words, that of halting biodiversity loss by 2010.

Recent studies show that our natural resources are seriously threatened, particularly marine areas of Mediterranean countries. The European Union has set in motion important actions

to combat climate change but must make a greater commitment to protecting biodiversity: an undertaking to increase funding for the Natura 2000 programme and more incisive action by the Commission to exercise the supervisory powers invested in it by the treaty.

What action is being taken to reduce the delay in applying the Natura 2000 directives?

**Daciana Octavia Sârbu (S&D).** – (RO) If we reflect on not only the environmental, but also on the social and financial impact of the destruction of biodiversity, we cannot underestimate the importance of the forthcoming Nagoya conference.

The ecological disaster which has occurred in Hungary, killing four people, has affected seven towns and the ecosystems of a number of rivers, threatening to reach the Danube and the Danube Delta in Romania. It provides us not only with a sad backdrop to today's debate, but also with a serious jolt into taking stronger measures to protect the environment and biodiversity. It is time for us to reignite the debate about the ban on using hazardous substances in the mining industry in order to put an end to these tragedies.

The resolution on biodiversity presented by the Committee on the Environment, Public Health and Food Safety contains many important points. However, I would like to highlight a few of them which I regard as being essential.

First and foremost, the main objective of the negotiations should be to adopt ambitious, specific targets which are relevant to a number of areas and sectors of activity, ranging from construction and transport to forestry and agriculture.

**Miroslav Mikolášik (PPE).** – (SK) As a member of the Committee on the Environment, I am extremely concerned about the results of recent studies that present alarming statistics on biodiversity loss in the European Union.

The urgency of this problem demands even greater efforts at the level of the EU and the Member States, and I therefore consider it essential for the Commission and the Member States to act in unison at the conference taking place at the end of October in the Japanese city of Nagoya in order to increase the effectiveness of their approaches and to achieve measurable and realistic targets with binding time limits. I would also like to emphasise the need to raise awareness in the private sector of the economic benefits of the fight to preserve biodiversity and of the return on investment in its preservation. Biodiversity loss is already reducing people's level of well-being and causing losses running into the billions, which are due to rise to several trillion by 2050.

**Silvia-Adriana Țicău (S&D).** – (RO) Europe can be split into nine distinct biogeographical regions according to similar climatic, topographical, geological and vegetation features.

The Danube region is among the top 20 ecoregions in the world. This region's biodiversity is extremely rich. It is home to 2 000 plant species and 5 000 animal species. Since 1991, the Danube Delta has been a UNESCO World Heritage Site and the Danube region includes several Special Protection Areas and Special Areas for Conservation within the framework of Natura 2000.

As the Danube and the Danube Delta have a unique and fragile ecosystem, which is home to rare plant species that are under threat due to pollution, we believe that it is important for the European Commission sometimes to enhance forecasting and response capabilities for flooding, extreme drought and accidental pollution.

The European Union has adopted a number of measures to protect diversity, especially biodiversity. Nature is not only an important part of Europe's heritage and does not only provide economic benefits, but it also offers numerous valuable services, such as water purification, flood control, prevention of soil erosion, pollination of crops and leisure activities.

The farming of land, the rapid process of urbanisation and the development of the transport infrastructure have had a severe impact on the natural habitat and, for example, large-scale drainage schemes have reduced a large section of the natural floodplains.

**Charles Goerens (ALDE).** – (FR) Madam President, the successive conferences on biodiversity protection, rather than offering solutions, are, at best, a way of keeping the rather paltry balance sheet up to date in this area. Is this a question of money or of responsibility? I would say both.

Forests, which contain the majority of species, are threatened by corruption and indifference, among other things. Corruption – for which the leaders of developing countries are as responsible as those who profit from bad governance – only partly explains the failure in this area. As for indifference, let us remember that our consumption habits are not neutral, either, in this regard.

How can we be more responsible? As I do not have much time, I will take just one example: forest certification. Models are in place. Can the Commission tell me if, in its opinion, the restrictions on imports, as well as the introduction of the two systems of forest certification, are helping to limit the damage in this area? Is there an evaluation, and if so, could you tell us about its main conclusions?

**Isabella Lövin (Verts/ALE).** – Madam President, if the EU is to have any credibility in Nagoya, it has not only to propose strategic plans but also to act on its present policies at home.

The compromise proposal the Commission is presently preparing to allow a continuation of the exportation of the acutely endangered European eel, a CITES Appendix II species although it clearly qualifies for CITES Appendix I, is nothing other than a shame. The European eel stock, one common stock, has declined by 40% since 2007.

If the EU is to have any credibility at all at Nagoya or in the next CITES meeting, there can be no other option than the implementation of a total export and import ban on eels. It should not listen to a small fishing sector that wants to export baby glass eels – threatened glass eels – to Japan for the present price of EUR 600 a kilo.

**João Ferreira (GUE/NGL).** – (PT) The preservation of biodiversity, more importantly than any economic consideration, constitutes an ethical imperative and an essential condition for the future of the human species itself.

Before the Nagoya conference, the European Union must learn from its failures in this area and set itself on the right path if it wants practical results rather than repeated and meaningless declarations of intent. Among other things, it will have to thoroughly change its sectoral policies. The reduction in the diversity of species and varieties being cultivated must be halted and reversed, as must the erosion of the genetic base on which food depends. The use of agricultural varieties specific to given regions must be promoted. The homogenisation of agricultural production, disease-spreading intensive models, and the abandonment of small- and medium-scale farming resulting from current agriculture and

trade policy must be fought. Those are just a few examples. Biodiversity and the series of environmental equilibriums that are dependent on it constitute part of our planet's heritage: a common good that must not, under any circumstances, fall into private hands; a priceless common good that everyone must be guaranteed the right to make use of and enjoy.

**Angelika Werthmann (NI).** – (DE) Madam President, 2010 is the International Year of Biodiversity. At European level, we already have excellent instruments for protecting biological diversity; I am thinking here of the Natura 2000 networking programme or the Habitats Directive. However, any idea is only as good as its execution, and I regret to say that in many Member States, this leaves much to be desired.

As members of the Committee on Petitions, our attention is constantly being drawn to serious problems in designated Natura 2000 sites. The Member States and the Commission must together take a leading role at the forthcoming conference in Japan. However, somewhere along the line, people will stop buying into this unless our words are followed up by visible action.

**Radvilė Morkūnaitė-Mikulėnienė (PPE).** – (LT) Biodiversity is a difficult and complex issue which is, of course, important, both in the European Union and the world as a whole. However, it raises another issue: how do we balance environmental protection and economic growth? That is probably the overall issue giving us the greatest headache.

It is known that biodiversity loss is mostly related to irresponsible human economic activity. It might always be argued that environmental protection requirements hamper competitiveness because the European Union's standards are high, while those of other countries are not, resulting in certain problems in this area, and it is, of course, difficult to strike a balance. However, there could still be certain preventive instruments. I am talking about activities carried out in the European Union and the use of analyses to justify those activities.

It is important for these analyses and the environmental impact assessment to be of a high quality and independent. Of course, realistically, it will be difficult to reach an agreement in Nagoya, but I would still like to wish the European Union and the Member of the Commission all the best.

**Luís Paulo Alves (S&D).** – (PT) I welcome this debate with the Council and the Commission in which we can discuss the European Union's plans and main strategic objectives for halting the loss of biodiversity on the eve of the Conference of the Parties to the Convention on Biological Diversity.

I hope that the European Union can take a strong and consistent position to this conference, with ideas about the specific measures that will be taken to ensure that biodiversity protection can contribute to sustainable development. I would point out that preserving biodiversity is fundamental to the quality of ecosystems, has direct effects on essential functions such as food production or the availability of water, and prevents landslides and floods.

Finally, I would like to see the political responses intended to ensure the integration of biodiversity into the activities of economic sectors such as agriculture, forestry, fishing and tourism having the courage and ambition to protect this invaluable yet extremely fragile heritage – as in my region, the Azores – from outside interests that blindly threaten it.

**Raül Romeva i Rueda (Verts/ALE).** – (ES) Madam President, this week, we have heard the wonderful news that more than 20 000 new species have been discovered in the sea. This is what the Nagoya conference is going to take responsibility for, not only so that these species continue to exist, but also so that even more species can be discovered and they do not disappear before we are aware of them.

However, the credibility of the European Union – the Commission, the Council and the Member States – is not only going to be at stake in Nagoya. It will also be at stake a month later in Paris at the meeting of the International Commission for the Conservation of Atlantic Tunas, where the future of bluefin tuna, which is a highly endangered marine species, is going to be decided.

It is this consistency that I think it is important to demand, because what the Commission says about maintaining biodiversity is good, in fact, it is very good, but it needs to be consistent when applying it to sectoral policies, for example, fisheries policy.

It will be important and essential to observe how the consistency that we are going to see and hope to see – as we are demanding for Nagoya – is maintained in Paris, when we really understand that protecting bluefin tuna means protecting not only an animal, but also a way of life, a culture and, above all, a way of seeing the world that relates to humanity.

**Mairead McGuinness (PPE).** – Madam President, this has been a very interesting debate because we now conclude that biodiversity loss is a problem for the developed world and in the developing world. Gay Mitchell spoke very eloquently about the difficulties for the developing world when erosion of biodiversity occurs. He also spoke positively about where improvements have been made. In order to guarantee food security for the world, we need sustainable agriculture in a sustainable environment.

I think another colleague mentioned that we have perhaps failed to communicate outside our own ranks, to those who are managing farms and ecosystems, about how important biodiversity is. We have failed to pay for it in the price we pay for our goods. As has been said, we have to put a market value on biodiversity if we are serious about reversing the loss.

**Janez Potočnik, Member of the Commission.** – Madam President, first of all, after hearing everything that the honourable Members of Parliament have said, I should say thank you because I think that the messages and the awareness which they are sharing, not only with me but, I hope, sharing with the whole European public, are more than clear.

I should start by saying that we should hide nothing. We have failed in delivering 2010 biodiversity targets and we are responsible for that and we should do better.

There are basically two lines on which we should and can act. One is our European line, the other is the international Nagoya line, about which you had more to say. But soon, after Nagoya, we will also come with the proposal for the European Union strategy on how to deal with this serious question and then, of course, many of the matters which you today underlined will have to be addressed. It will have to include a baseline, which we currently, finally, have. It will have to have measurable targets, not a lot, but a few that are the closest to something we would like to achieve: the best proxies for what we would like to pursue. Why a few? Because this has to be fundamentally understood, so that we can share the understanding of biodiversity.



We have done quite a lot in Europe up to now. I am very cautious when we talk about implementation of Natura 2000. I think that Natura 2000 will still give some advantages in the future but, when we talk about our strategy, I think we have to be ambitious, as we are when we talk about when we are going out, when we talk about international appearances.

Many of you mentioned financing. I am not underestimating the question of financing, but do not fix your debate only on financing. It is much more than just financing and much more than just fresh money for biodiversity. It is about environmentally harmful subsidies. It is also about private financing. It is about many of the things which you in this House have adopted.

Illegal logging is a typical example of how we can really help, and finance even, the countries which are exporting timber, also in Europe. I think it is extremely important that we understand that.

As some of you mentioned, it is truly and fundamentally a moral and ethical question but, for those who do not understand that, it is becoming more than obvious that it is an issue of our quality of life and an issue of our economic success. It is important that this is understood too, because this was a turning point in the climate change debate, if you remember.

I think it is important also that governments, not only in Europe, also our partners around the world, understand very well how important it is that they also engage their priorities in following the things that we are discussing in this House today.

The next question which I would like to mention is access and benefit sharing (ABS). For me, after sitting in New York discussing with practically all our partners, ABS will be an important, if not the breakthrough, issue in Nagoya. So we should do our utmost to ensure there is a breakthrough there. Of course, you can make a difference, but it is not only about you and, after all the discussions which we have had with the Member States recently, I can confirm that there is a strong willingness on the part of the Member States to have a breakthrough on that point.

The next question is something which we will also need to discuss in the future, and how to deal with it is also closely connected with answering some other questions. You know that there were two Rio conventions. One was for climate change, the other was for biodiversity, and there was also the separate issue of deforestation, an important one.

Increasingly, they are separate and they are developing in parallel; we are increasingly understanding that we should start to reconnect them. Many of the issues about mitigation and adaption in climate change have to do with biodiversity. Red Plus is as much for climate change as for dealing with biodiversity. So let us also prioritise the questions of biodiversity when we set the priorities on how we will use the money which is committed to Red Plus activities. And, when we talk about Millennium Development Goals, it is the same story. I met and talked with Helen Clark in New York about how we can cooperate better between the Commission and the UNDP in the future to ensure that these issues are more interconnected.

The next issue which some of you underlined, and which I think is the basis of all the issues, is the integration of biodiversity, the mainstreaming of biodiversity in other policies. I fully share the view that if we want to talk about the CAP, the fisheries policy, cohesion and other policies, we have to take that angle into account, too. When we talk about the

common agricultural policy – which will soon be on your table, you will soon be discussing it – I think we should develop more the concept of the public good. I believe that farmers should be partially repaid for what they do for us: they are providing food and we are grateful for that, but we should also be grateful to them for keeping up biodiversity. This is an important debate which lies ahead of us.

Nagoya/Cancún are pretty much connected stories. It is not only about biodiversity; it is not only about climate change; it is also about the success of multilateralism and governance globally. So it is very important that we achieve success there. All your calls for us to speak with one voice are well heard. We are doing everything possible to make this true in reality and here, I would like to thank the Belgian Presidency for having a very constructive stance on that.

The next thing which I would like to mention, and with this I am almost coming to an end, is a remark on euros and dollars. I took it positively but I am a bit afraid that, when we talk about biodiversity and international help, we will talk more about euros than dollars.

So, finally, we have to come away from Cancún with something which is a success, which we can consider a success, and which will be connected with solutions, because there is simply too much at stake. We have responsibility, but I think it is fair to say others also have responsibility. But having Parliament firmly behind us is really helpful.

### IN THE CHAIR: LÁSZLÓ TÓKÉS

*Vice-President*

**Joke Schauvliege**, *President-in-Office of the Council*. – (NL) Mr President, honourable Members, I should like to thank all the speakers who have underlined the importance of biodiversity. This is a very important message that has come across here in this debate. I have already discussed, in my introduction, many aspects that have been touched on here. There are certain points I should like to discuss in rather more detail.

First and foremost, access and benefit sharing (ABS). An important point to make is that the Council undertakes to complete the Protocol on access to genetic resources and benefit sharing (ABS Protocol) at the 10th Meeting of the Conference of the Parties (COP 10) to the Convention on Biological Diversity (CBD) given that it will make a very important contribution to achieving all the objectives of the CBD. The development and implementation of the ABS Protocol must be regarded as an integral part of the process surrounding the CBD. Progress has already been made in this field in the recent discussions in Montreal, but it is true that a number of other issues need to be resolved ahead of COP 10. This will require sufficient flexibility from all the negotiating partners, and thus also internally within the EU.

Secondly, as regards the motion for a European Parliament resolution, this resolution discusses the key elements of the biodiversity policy: the urgency to act, the economics of ecosystems and biodiversity, the overall mission, vision and goals of, and indicators for, the CBD and the CBD strategic plan, and also the more specific aspects such as ABS and synergies between the three Rio conventions, and so on. These elements tally with the positions taking shape within the Council with a view to the Nagoya conference. The conclusions on this should be adopted by the Environment Council on 14 October.

As regards the question concerning the package and sectoral integration into areas such as agriculture and fisheries, I would remind you that, on 15 March, the Council expressly

asked the Commission to propose a package. I understand from what the Commissioner said a minute ago that the Commission is working hard on this and that we can therefore count on it.

The Council will be asked to adopt the conclusions on biodiversity at its meeting on 14 October – next week, that is. They will then serve as political guidelines for the negotiations in Japan in October. These conclusions are to form the basis for determining the important issues for COP 10 and also the Council's position on these: the revised, updated CBD strategic plan, the negotiations with a view to the ABS Protocol, the strategy for mobilising funding, particularly via innovative financing mechanisms, sectoral integration and synergies between the fight against climate change, desertification and policies to promote biodiversity.

I should like to thank everyone who has underlined the importance of this. I also wish to thank the Commissioner for the constructive cooperation we have enjoyed up to now and also for the pleasant cooperation we are likely to enjoy in the run-up to, and on the spot in, Nagoya.

**President.** – I have received one motion for a resolution<sup>(3)</sup> tabled in accordance with Rule 115(5) of the Rules of Procedure.

The debate is closed.

The vote will take place on Thursday, 7 October 2010.

#### **Written statements (Rule 149)**

**Elisabeth Köstinger (PPE), in writing.** – (DE) Biodiversity is, and will remain, an important issue for the European Union, because biodiversity goes hand in hand with securing the food supply in Europe and therefore represents the prospects for a positive future for the next generations. European agriculture is aware of its important role as promoter and preserver of biodiversity. Through CO<sub>2</sub> storage in soils or near-natural land management, our European farmers are actively contributing to the preservation of biodiversity. However, all of this effort will be of no benefit if there is little or no public awareness. We need to make European citizens aware of the fundamental importance of biodiversity for our countryside, our economy, our lives and our children's future, and to spur them into action. The European Union will not be spared from the extinction of a diverse range of species. Already today, numerous ways of life are under serious threat. Let us take action now and set the course for a species-rich future.

**Rareș-Lucian Niculescu (PPE), in writing.** – (RO) I would like to emphasise, in the context of this debate, the important role played by 'The Economics of Ecosystems and Biodiversity' (TEEB) project, funded by a number of European states, which calculates the financial value of nature and the costs incurred as a result of biodiversity loss. TEEB allows us to raise awareness about the magnitude of the challenges involved and to prepare the future decisions in this area. I would simply like to mention a few facts presented in recent TEEB findings. The cost of deforestation is rising to approximately USD 4.5 trillion per year. According to other similarly recent estimates, more than a quarter of the world's initial biodiversity disappeared by 2000, with the expectation of a further loss of more than 10% by 2050. I can give you more examples. In these circumstances, the timing of the Nagoya

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<sup>(3)</sup> See Minutes

Summit could not be better. Furthermore, I believe that this parliamentary debate is particularly timely as well because it allows us, at EU level, to harmonise our position for the forthcoming summit.

**Rovana Plumb (S&D), in writing.** – (RO) This year is a crucial time for stepping up global efforts and commitments in order to halt biodiversity loss. We must seize this moment to create a vision and some clear objectives concerning biodiversity and its sustainable conservation after 2010. We need to define a strong common position and ensure the European Union's active participation in future international negotiations. A long-term global vision must take into account the links between biodiversity, ecosystem services, climate change, desertification, economic prosperity and citizens' health and well-being. Achieving the proposed biodiversity objectives and targets is subject to mobilising the necessary resources to implement adequately the measures promoting conservation and sustainable use of natural resources. In this respect, Romania supports greater involvement from the private and public sectors in finding innovative solutions and mechanisms for funding biodiversity.

**Pavel Poc (S&D), in writing.** – (CS) Homo sapiens produces the most waste of all the biological species. Industrial pollution, municipal waste, CO<sub>2</sub> production, noise, light smog, heat pollution and all the other known and unknown waste products of our civilisation create an enormous ecological footprint. The effect of the ecological footprint of our species is to prevent the continuing existence of certain other species in the planetary ecosystem. This is the basis for the present day decline in biodiversity. Biodiversity is a defining precondition for the existence of the planetary ecosystem in the metastable state which we know and which enables the existence of our own civilisation. The interdependency and interconnectedness of our existence with other forms of life on the planet is neglected, undervalued and played down. If biodiversity declines, the absorptive capacity of the planetary ecosystem will decline as well. The ecosystem will become less resistant and more susceptible to changes, including step changes. At a certain stage, it will then tip over into another state. The question is whether this new state will allow the continuation of our civilisation, or of the current number of people on the planet, and whether it will allow the very existence of our biological species.

In the present time, it is no longer a question of one or another animal species, nor even of the protection of any individual ecosystem. It is a question of the preservation of our own species, of our own ecosystem. Unfortunately, we still behave like a patient suffering from cancer. We lie to ourselves and we fail to take the measures which might save our lives.

### 13. Social provisions of the Lisbon Treaty (debate)

**President.** – The next item is the Council's and Commission's statements on social regulations in the Treaty of Lisbon.

**Philippe Courard, President-in-Office of the Council.** – (FR) Mr President, thank you for giving me the opportunity to speak on behalf of Mrs Onkelinx, the Deputy Prime Minister, on the various new perspectives on social matters offered by the Treaty of Lisbon.

I truly believe that we have to look at the social advances in European law. Thus, Article 9 of the treaty provides for a horizontal social protection clause which obliges the European institutions to take into account requirements linked to the promotion of a high level of

employment, the guarantee of adequate social protection, the fight against social exclusion, and a high level of education, training and protection of human health.

This requirement follows the statement in Article 3(3) of the treaty that the internal market shall be constructed through policies based on a social market economy which is highly competitive and which tends towards full employment and social progress.

Article 9 accordingly calls for the social dimension to be taken into account from now on in the definition of all European policies. This is about restoring a fair balance between aspects that we will have to realise in practice. This is a priority cross-cutting objective of the Belgian Presidency.

In future, then, we will have to pay much more attention to the social impact of policies developed at European level. While we need to maximise economic growth within the European Union, we must also encourage the fair and just distribution across the board of the fruits of this growth, and we must take particular interest in the fate of the most vulnerable people.

We must also take the social dimension into account in the Europe 2020 strategy, which, as you know, was adopted by the European Union during the June European Council. This strategy, which is targeted at employment and growth, incorporates the economic, social, employment and environmental dimensions. It is based on a limited number of quantified objectives and some guidelines.

Of the five fixed objectives, one is specifically dedicated to the fight against poverty and social exclusion. It sets the objective of taking at least 20 million people in the European Union out of poverty by 2020. Along with guideline 10, it constitutes the social pillar of the strategy.

Although we may be disappointed by its lack of ambition, it nevertheless shows a desire to attain a specific and clearly identifiable objective, which is new in this area, and it introduces a new dynamic of which we need to take advantage. The Member States will have to report each year, in their National Reform Programmes (NRPs), on the progress made in implementing this objective.

It has always been my view that we must maximise the benefit of this social dimension of EU 2020. I want to make the Belgian Presidency a social presidency *par excellence*. In this context, the Europe 2020 strategy provides an opportunity for visibility: a European social policy. This will be a genuine challenge, because the Member States are busy defining their reform plans, and therefore their policies for achieving the quantified objectives, and, at the same time, they are busy working on their national budgets, which limit their financial freedom.

In addition, the financial crisis is still recent, and the economic recovery is slow in making itself felt. As such, we must make sure that fiscal consolidation does not have a negative impact on employment and social policies. The EU 2020 growth strategy must be sustainable and inclusive. It must not be characterised by growth without jobs; it must show a desire to combat job insecurity. Thus, the fight against poverty really has to be a major concern of ours.

In the Council, the Belgian Presidency is working hard to make this dynamic work, but it is also sensitive to the role that the Commission must play in this context. We would genuinely urge the Commission to be dynamic on this matter. I am thinking here of the

flagship initiatives that it needs to adopt, especially the platform for combating poverty and social exclusion, which must offer a broader perspective on the social challenges which Europe faces.

Among other things, the Commission must use this method to propose ways for us to specifically implement the new horizontal social clause in Article 9 of the Treaty of Lisbon.

As you can see, the Belgian Presidency has a great deal of ambition, but I truly believe that it will meet the needs and demands of our fellow citizens. Without a social dimension, the European project is doomed to failure. Here too, you have your role to play in continuing the debate concerning this strategy, not only at European level, but also by highlighting the social dimension in your respective countries.

**László Andor**, *Member of the Commission*. – Mr President, the horizontal social clause laid down in Article 9 of the Treaty on the Functioning of the European Union states: 'In defining and implementing its policies and activities, the Union shall take into account', inter alia, 'requirements linked to the promotion of a high level of employment, the guarantee of adequate social protection' and 'the fight against social exclusion'. The Commission is committed to implementing this clause, including through strengthening the assessment of social impact, as part of its overall impact assessment system.

In relation to the specific situation of social services of general interest (SSGI), the Commission believes that it is important to ensure legal certainty for public authorities in the Member States. However, the Commission does not consider it necessary, at this stage, to set up a multi-stakeholder taskforce to tackle the difficulties some providers of SSGI are experiencing with the interpretation of the single market rules.

The Commission is aware that a significant number of public authorities and stakeholders consider the EU rules applicable to social services as an obstacle to the organisation and financing of such services. However, consultations of public authorities and stakeholders show that the existing rules, to a large extent, take account of the specificities of social services of general interest. The problems reported are very often due to a lack of awareness of, and information about, the rules, or to doubts about the way such rules are to be implemented.

For this reason, the Commission has put a strategy in place, including the interactive information service, the frequently asked questions documents and the training initiative for local public authorities. The Commission is in the process of updating the frequently asked questions documents. Once finalised, the Commission will present them to the Member States and the stakeholders within the Social Protection Committee.

Another discussion forum with the Member States is the Advisory Committee on Public Procurement. A public consultation on the SGEI package – Services of General Economic Interest – which aims to clarify and simplify the application of State aid rules to those services, has just ended. The Commission will share its assessment of the contributions received with Parliament, the Committee of the Regions, the European Economic and Social Committee and the Member States. As the Commission has stated on numerous occasions, the specificities of social services will be duly taken into account in the revision of the package.

In addition, the Commission has had a fruitful dialogue with the main stakeholders over the last few years on possible adaptations to the existing EU rules – in particular, within the Social Protection Committee and Parliament's intergroup on public services. In July,

the Commission participated in a seminar organised by the Belgian Presidency with the Member States and various stakeholders. Once again, these discussions have shown that, while there is a strong and legitimate interest in fine-tuning, there was no real need to change the fundamental structure of existing EU rules in order to adapt them to the specificities of SSGI. This being so, the Commission is aware that the Belgian Presidency has put forward some suggestions with a view to clarifying and adjusting the existing rules. The Commission is carefully considering these suggestions.

I also recall that the Third Forum on Social Services of General Interest, to be organised on 26 and 27 October under the auspices of the Belgian Presidency, will provide an opportunity to discuss these suggestions and possibly others as well.

Lastly, the Commission is working within the Social Protection Committee on a voluntary quality framework for social services. The Commission has worked very closely with the main stakeholders, social partners, local authorities, service providers and users in drawing up such a framework.

In summary, the Commission is committed to implementing the new horizontal social clause, including the relation to SSGI.

As I have explained, there are numerous fora for discussion and dialogue with the SSGI stakeholders. The Commission, therefore, does not see the need to establish an extra taskforce. However, the Commission is committed to tackling the difficulties faced by some providers of SSGI with the interpretation of the single market rules, including under the forthcoming Single Market Act, to be adopted by the Commission before the end of October.

**Andreas Schwab**, *on behalf of the PPE Group*. – (DE) Mr President, ladies and gentlemen, the Treaty of Lisbon did not give the European Union any fundamentally new powers in the area of social policy. Article 9 – the representative of the Council has already referred to this – expands the existing powers within the context of the basic principle of the social market economy, which is very important to the Group of the European People's Party (Christian Democrats), and which we introduced into the European Convention, which essentially prepared the way for the Treaty of Lisbon.

Our second point is that with the report by former commissioner, Mario Monti, entitled 'Putting citizens at the heart of the Union', the European Commission made an interesting and valuable contribution to how we can succeed in combining the great positive impulses of the internal market with social elements of the common consumer market. For this reason, Commissioner Andor, we are expectantly looking forward to the so-called Single Market Act that Commissioner Barnier is currently working on. We believe that this can really get to grips with the Monti-Kroes package in a constructive way. However, we are sceptical as to whether the opening up of the public procurement directives and the creation of a concession directive will, in the end, really result in us putting the internal European market on the right track, since obviously, we are clearly against any inflation of the public sector.

The representative of the Council has already made reference to this, but it is all the more important, as great and significant as social consolidation may be – and I say that as a member of the younger generation in this Parliament – that we include all the shadow budgets – the Freiburg-based professor Bernd Raffelhüschen has spoken of the fact that we have a series of hidden budgets as regards pension debts – when we consider social

consolidation, and that we make a policy that also gives the younger generation a fair chance in the coming decade.

I therefore believe that together – and the representative of the Council has already made reference to this – we face great challenges; that the European Parliament and the EPP Group have a shared view of this challenge and that we should all do everything we can to support the efforts by the European Commission in respect of both this package of measures for the internal market and, on the other hand, the social measures that must supplement this internal market, against the background of the social market economy. I am therefore looking forward to further debate and am grateful for your attention.

**Proinsias De Rossa**, *on behalf of the S&D Group*. – Mr President, first of all, I want to thank the Council and Commission for their statements today and I want to thank the ALDE Group, the Greens/EFA Group and the GUE/NGL Group for their support in having this matter on today's agenda.

The new social clauses do not relate solely to services of general interest as implied by the EPP intervention earlier this afternoon and, as regards social services of general interest (SSGI), we need to come to conclusions on these matters which have been heavily debated over many years, rather than rehashing old arguments.

As rapporteur on the future of social services of general interest, I look forward to working with all the groups which recognise the need for a strong social market economy and I hope to bring forward concrete proposals to resolve the dilemmas faced by providers of SSGI.

As you are no doubt aware, Europe's citizens have high hopes regarding the development of a more coherent and dynamic social dimension to European policies and legislation following the adoption of the Lisbon Treaty. Indeed, one of those important debates in Ireland during the referendums on Lisbon concerned the new social clauses, including Article 3, Article 9, Article 14 and the social protocol, and indeed many others in relation to disability and equality.

It is always important that we live up to citizens' expectations. It is doubly important at this time of economic and social crisis for many millions of our citizens who have already lost, and many more who will lose, their jobs, their homes, their savings, their pensions, their public health services and, indeed, educational opportunities for their children because of the crisis and the remedies being applied.

It would be deeply destabilising for the European Union if the College of Commissioners and the European Council were to take the view that these new treaty articles change nothing and continue treating social objectives as secondary to market objectives. If we fail in our responsibilities, there are waiting in the wings extreme xenophobic and intolerant political parties willing to capitalise on the anger and the discontent that is out there.

My specific request to the Commission today, and to the Council, is to accept that we need a dynamic process for making progress with regard to services of general interest, particularly social services of general interest.

I regret the statement today by the Commissioner. I hope, over the next few months, to persuade him that he is wrong, that we do need a dynamic process, that we do need a high level taskforce which includes not only himself and other DGs but members of civil society, the trade unions, the Council and the Committee of the Regions.



We need a mechanism which will drive the change which everybody recognises. Commissioner I have heard you saying, and I have heard Mr Barroso saying, that the stakeholders apparently tell you that there is no real problem. The stakeholders are not telling me that. I have met dozens of them in the past six months. They are telling me there are administrative problems and there are legal problems and that they need to be addressed urgently. They are not going to be addressed urgently, I am afraid, on the basis of what you and the Council said here today. I hope, as I say, I can change your mind over the next few months. However, there is an urgent need for a mechanism, a high-level mechanism which will include the stakeholders and ensure that the decisions that need to be made are made and followed through.

I think it is most important that Parliament is involved in that process. We have to bear in mind that we must address the concerns and demonstrate that Europe is serious about creating a social market economy and not a single market on its own.

**Marian Harkin**, *on behalf of the ALDE Group*. – Mr President, I have here a well-worn, annotated, underlined, dog-eared, tea-stained copy of the Lisbon Treaty. For 12 months, this was my constant travelling companion when I was trying to persuade Irish citizens to vote ‘yes’. When Irish citizens asked me why they should vote ‘yes’, one of the top five reasons that I gave them was that this treaty would bring about a more social Europe.

Just 12 months ago, we ratified this treaty and now we, as politicians, have to deliver on our promises. We have spoken about the new horizontal social clause – Article 9 – that obliges the Union to consider the social consequences of decisions when making its policies. This is a cross-cutting objective and it gives us greater scope to be more ambitious when writing, amending or implementing EU legislation, but Article 9 does not guarantee desired policy outcomes. It is a powerful tool which is at our disposal, but we have to ask ourselves whether we are using it or whether it is just window dressing.

Social policy was poorly built into the original treaties, but I believe it is much stronger in the Lisbon Treaty. Apart from the Protocol on services of general interest, Article 14 of the Treaty on the Functioning of the European Union has been mentioned. That clearly states the shared responsibility of Member States and the EU as regards SGIs. To date, the EU has applied internal market rules, but Article 14 states that in the application of the treaties ‘the Union and the Member States ... shall take care that such services operate on the basis of principles and conditions, particularly economic and financial conditions, which enable them to fulfil their missions.’ That is a shift in EU policy and it must be reflected in the Commission’s communications and proposals.

Also, in the Council, the anti-discrimination directive is still blocked. That is an important piece of legislation. We need to see it implemented. So, while the fundamental principles are established and social policy legislation is protected in the Lisbon Treaty, the future direction of social policy is not settled definitively. We – the Commission, the Council and Parliament – can, and must, use the tools provided by Lisbon.

**Karima Delli (Verts/ALE)**. – (FR) Mr President, Mr Courard, Commissioner, the principal objective of the European Union, an objective which appears in the Treaty of Lisbon, is the development of a social market economy oriented towards full employment and social progress. It therefore contains a horizontal social clause which states that the promotion of a high level of employment, adequate social protection and the fight against exclusion must guide the definition and implementation of all EU policies.

The recognition of social rights and, in particular, of the right to access services of general interest, is made binding in the Charter of Fundamental Rights. The charter contains rights and principles, such as the right to access social security payments, housing benefits and social services.

On the eve of the Third Forum on Social Services of General Interest, initiated by Parliament, how can you claim that, in applying the provisions of the Treaty of Lisbon, only the rules on competition and the internal market need apply to these social services of general interest, with no adaptation to their specific modes of organisation and financing?

Is it not true that the Services Directive, for example, calls into question the role of social services of general interest with a strong local base consisting of community members who are not aiming for financial gain? When will you stop burying your head in the sand and when will you finally shoulder your responsibility as colegislator, in accordance with the provisions of the new Article 14 of the Treaty on the Functioning of the European Union?

**Lothar Bisky**, *on behalf of the GUE/NGL Group*. – (DE) Mr President, I have to admit that the Treaty of Lisbon and its social commitments read well. However, we cannot ignore the fact that hundreds of thousands of people took to the streets in Brussels and other European capitals. They were protesting against a mistaken and unsocial policy towards the crisis.

We have hardly begun to turn the corner from this, the worst of crises, yet we are already hearing from many governments that national debts need to be reined in. The emergency parachutes that are the rescue plans need to be folded away, they say, and investment programmes abolished. The Commission is calling for the Stability and Growth Pact to be tightened up. States in which reasonable wages and salaries are paid, in which the labour market still follows rules, or in which social security systems are too ‘social’ – which means too expensive – are to be penalised. The banksters are carrying on as if nothing had happened. Pensions and wages are to be cut, consumption taxes perhaps increased. Contributions to social health insurance are rising while services decline.

In the light of the judgments of the European Court of Justice in the Viking, Laval and Rueffert cases, it is not only the trade unions that fear that the social balance of the European Union is in a precarious position. The call of the trade unions for a social protection clause deserves our full support. Employee rights, trade union rights and social protection need to be given at least the same significance as – and, indeed, precedence over – the internal market and freedom to provide services. This needs to be clearly laid down in primary law. I am pointing out these facts because the relevant paragraphs merely look good – in reality, they change nothing.

Human dignity cannot be ensured without minimum social standards. A social progress clause would improve the badly damaged reputation of the European Union amongst the populace and help to stem social fears.

**Andreas Mölzer (NI)**. – (DE) Mr President, we are witnessing within the European Union what I believe to be a worrying development whereby more and more people are being pushed into temporary agency work, false self-employment and *McJobs*, and whereby the social rights of employees seem to be being pushed into the background. Not only does the European Court of Human Rights seem to be paring back worker protection standards in its jurisprudence, but it also rules out giving preferential treatment to socially engaged entrepreneurs when awarding public contracts.

The Treaty of Lisbon was going to make everything better, we were told, but, personally, I have not seen much of any social turnaround. Attempts are being made, for instance, to reduce economic and social differences between the Member States using the European Social Fund. Yet, if the bringing to account and execution of projects leads to problems in many regions, the fund is failing in its mission. The freedoms of the internal market, I might point out in passing, all too often only involve the freedoms of the multinational conglomerates, which are squeezing out the local employers, which is to say the small and medium-sized enterprises. I believe that this needs to change as soon as possible.

**Jean-Paul Gauzès (PPE).** – (FR) Mr President, Commissioner, the Treaty of Lisbon unquestionably provides Europe with new social objectives. Sustainable development in Europe is based on the high competitiveness of the social market economy, which means full employment and social progress, the fight against social exclusion and discrimination, the promotion of justice and the eradication of poverty. The Treaty of Lisbon confirms the role of the social partners and promotes social dialogue between the trade unions and the representatives of employers' organisations at European level.

On these various points, the actual situation is certainly not the one described by some speakers here. Today, we can dramatise the situation; it is true that there are worrying situations, that the crisis is not yet over, and that it has consequences. However, Europe is taking measures in this area – which we must explain to our citizens – to create some order in the financial sector, in particular, and in this regard, it is one of the first to be making efforts to organise that sector, on the basis of our work.

Allow me to make a few short remarks. On services of general interest in particular, I will say clearly that we should take specific national circumstances into account, because it is true that some of our fellow citizens are a little alarmed – I am thinking, for example, of the French – when they feel, wrongly, that Europe is endangering the public services which are a French tradition. Likewise, in relation to public contracts, we should take account of individual circumstances, and especially of those which allow for collaboration between several public authorities.

Nevertheless, social policy is dependent on the health of the economy and on economic growth. That is the primary objective of a social market economy.

**Elizabeth Lynne (ALDE).** – Mr President, unlike some of the other speakers, I do not believe that the Lisbon Treaty changes as much in the social policy field as in some other areas.

We have had codecision in the employment field for many years now but, under the Title II provisions having general application, in Article 9 there is a reference to, among other things, the protection of human health. One directive that affects that is the Electromagnetic Fields Directive and I know the Commission has been looking at this. When we take the Electromagnetic Fields Directive through the whole procedure with the Committee on Employment and Social Affairs, we must ensure, and I hope Member States agree, that state-of-the-art MRI scanners can be used.

Article 10 under Title II covers anti-discrimination. As several other speakers have said, it is most important that we make sure that the horizontal directive on access to goods and services is unblocked from the Council and make sure that those Member States that are blocking it lift their objections so we can have a true anti-discrimination directive on access to goods and services.

**Patrick Le Hyaric (GUE/NGL).** – (FR) Mr President, Commissioner, it has to be said that what prevails in the application of the Maastricht Treaty is not at all what you describe: it is neither Article 9 nor Article 14 for protecting public services. Rather, it is the principles of competition, unrestricted free-tradeism, the weakening of social protection, the smashing of pensions and wages, and the rejection of fair fiscal harmonisation.

For example, this year has been declared the European Year for Combating Poverty and Social Exclusion. Let us note exactly what you have done which conflicts with that, Members of the Commission and of the Council. The decisions taken in these last few days pushing us towards super austerity, and the Commission setting itself up as a veritable tribunal to put it into effect, are in conflict with every single social project. Instead of believing that austerity and social regression will get the European Union out of the crisis, I think that we must use quite different reasoning; in fact, the opposite reasoning. Social progress is a lever for ending the crisis.

I would therefore like to make a proposal to you, which I submit to the debate for further consideration. The proposal would involve creating a new system which would allow the European Central Bank to buy – including via the creation of money, as all banks in the world do now – all or part of the debt of the Member States if necessary, and, at the same time, to set up a European fund for human, social and ecological development.

Backed up by the European Central Bank and the European Investment Bank, this fund should allow public services – or community services of general interest, if you like – to be expanded, and should provide aid for industry, research and training.

**Ilda Figueiredo (GUE/NGL).** – (PT) The pressure being exerted by the Commission and the great powers of Europe on the countries with more fragile economies and higher levels of poverty flies in the face of all the principles of economic and social cohesion that the Belgian Presidency has spoken about here in the name of the so-called ‘social clause’ of the Treaty of Lisbon – Article 9.

The truth is that it has only been possible to move outside the irrational criteria of the Stability and Growth Pact when it was necessary for the Member States to support the banks as a result of the problems they were experiencing because of the toxic waste that they had created. Now that the banks have soaked up billions of euros in public aid and the public debts of the countries with the greatest difficulties have rocketed, the pressure to reduce debts and deficits has returned with no thought for employment, social inclusion or the universal rights to public education and health care, housing, or living wages and pensions. In the name of the sustainability of public finances, the austerity measures being imposed in some countries, such as Greece and Portugal, are multiplying, social injustices are on the increase, and growing unemployment, poverty and social exclusion are threatening 120 million people in the European Union.

Portugal will slip back into depression if the new austerity programme that the Portuguese Government has just announced goes ahead, which raises a few questions. What sort of social Europe is that? In the European Year for Combating Poverty and Social Exclusion, where are the guarantees of minimum incomes with which to confront poverty? Where does the integration of social and social sustainability objectives with macro-economic policy stop? Where is the defence and promotion of public services? When will there be a cross-cutting social guideline and an effective assessment of the social impact, of the policies of the Stability and Growth Pact, of competition policy, of the internal market, of budgetary

and fiscal policy, and of monetary policy? That is the aim of the workers' struggles that are multiplying across Europe.

**Othmar Karas (PPE).** – (DE) Mr President, the political goals are clear. We want a Europe with a sustainable social market economy, fundamental rights, no discrimination, full employment, an integrated social clause, social cohesion and services of general interest, which are to be defined through subsidiarity. That is our goal. However, we have too few instruments at the European level to achieve this goal. Most of the instruments are to be found at the Member State level. We need a balance between the economic, the competition policy and the social instruments if we are to be able to realise these goals across Europe. We should therefore broaden out monetary union into an economic and social union. We also need to clearly come out and say that we need more acts of solidarity and that training, getting people qualified, growth and employment are not elements to be played off against the social side of Europe; they are, in fact, a prerequisite if we are to combat poverty and exclusion and end the plight of the working poor.

**Marie-Christine Vergiat (GUE/NGL).** – (FR) Mr President, I have just come out of a meeting of the Public Services Intergroup. I sometimes wonder if we speak to the same people. For you, everything is fine. The majority of the parties involved, at best, do not understand anything about European legislation, or they understand it only too well.

You are talking about measuring the social impact of the European Union's policies. So I would say to you: there is a good area for you to work on – go on, I dare you! If, as you claim, there is no problem with public services, and, in particular, with local public services, then commit yourself to undertaking a proper, exhaustive review of the liberalisation of public services across the European Union.

Free and fair competition was supposed to lower prices. I am French. I will just give you some examples which perhaps explain why the French are a little wary about Europe on this subject: the prices of postal services, rail transport, air transport and water transport, which have been given over to private companies, have increased exponentially.

The notion of universal service was supposed to guarantee that the most basic services were accessible to everyone. In reality, for the poorest people, it is barely enough, and instances of discrimination are increasing. What happened to your great redistribution of wealth, when we know that inequalities between the richest and the poorest continue to increase everywhere in Europe?

So yes, Commissioner, as many Members have already asked you, when will the Commission decide to take into account the consequences of Articles 9 and 14 of the treaties, as well as the protocol on social services of general interest; in other words, when will it respect the rights of Parliament? Please, what are you afraid of?

**László Andor, Member of the Commission.** – Mr President, the Commission as a whole, as do I, believes that our objective is to develop a social market economy. I can say, for me personally and for my portfolio, that in this expression, the 'social' is more important than the 'market'. Of course, at the end of the day, the Commission has to put forward, represent and implement a very balanced approach. However, I have always represented the social objectives and we have taken this very seriously.

I also noted in the discussion that the forthcoming Single Market Act would be received with disappointment by Parliament if it were not to include a very strong social dimension. That is what we have been working on: ensuring that this very important document will

be strong on social issues. I have participated in the relevant group of commissioners and have ensured the inclusion of items concerning pensions and other issues that are very important in terms of strengthening the social dimension of the European economy.

However, there are many other issues. I would certainly object to an approach of having only one particular type of solution, i.e. establishing another high-level body in order to ensure that we deliver on social issues.

There was nothing in my answer that suggests an objection to having a dynamic process on SSGI. In fact, we find ourselves in a dynamic process on SSGI in the run-up to the October conference of the Belgian Presidency. I will attend both the opening and the conclusions of that conference, and I am very hopeful that it will bring up a number of issues related to SSGI to guide us forward.

SSGI is treated very seriously in the upcoming European Platform against Poverty which will be published at the end of the year. Mr Courard, the Secretary of State for Social Integration and the Fight Against Poverty, also referred to this in his introduction.

I am open to taking further steps. However, I would first like to see what these events and documents will bring from the wider range of European stakeholders. I would like to stress that, although officially there is some recovery, we are in a very difficult phase of the economic crisis and that there is still a lot of pain inflicted not simply by the crisis itself but also by the measures to exit the crisis.

The Commission has consistently been calling for the interests of social services and vulnerable groups to be taken into account. In recent weeks, I have made many speeches and I have called for caution in terms of the macro-economic policies of Member States.

Fiscal consolidation is inevitable because countries accumulated high debts. However, austerity – especially mindless austerity – and single-minded expenditure cuts are not inevitable. All Member States, even those that are under pressure from the markets, have room to consider how to deliver a measured fiscal consolidation. Everyone has the capacity to balance the various options – expenditure cuts or revenue increases, and they can apply fairness; they can take into account the interests of vulnerable groups. The Commission has been calling for that.

Even in these difficult times, we are calling for social awareness. That is where the European Year has been helping us a lot. This has been an awareness-raising campaign and, to that extent, it has been a success because it helped to deliver the two very important targets of Europe 2020. Without this campaign we would not have been successful in delivering the very ambitious targets on raising employment and reducing poverty in Europe.

Of course, nobody believes that this can be delivered overnight. We have to improve our instruments. I accept what the honourable Member said about the European Social Fund (ESF). It has not been functioning perfectly, but we are in the process of exploring where the ESF should be improved in terms of innovation, what the ESF should be dealing with, and how it should be used. This is all part of a process. There are series of conferences to discuss that, especially in the context of how to handle the situation of the Roma population, among other issues. The Belgian Presidency is holding a conference specifically on how the ESF could be more useful in reducing poverty.

I would be doubtful about establishing a new fund. I think we first have to explore how the social fund could be used, with the available instruments, to improve social conditions.

Here, I would underline the role of the European Investment Bank in terms of developing the infrastructure and services in Europe.

Nobody is calling for the privatisation of social services. These are predominantly Member State competences. However, if the EU rules concerning public procurement or State aid, for example, are applied correctly, taking all important parameters into account, they will guarantee quality, cost effectiveness and transparency. These are very important objectives and we should not undermine these important objectives, particularly transparency, when we try to pursue other objectives, however important or relevant those might be.

I hope these points are convincing and that the upcoming events, especially the next conference on SSGI and poverty, will provide ample opportunities to discuss how to proceed. I can assure you that reducing poverty and improving social standards in Europe are very much in the focus of the Commission's work and very much in the focus of my personal agenda.

**Philippe Courard**, *President-in-Office of the Council*. – (FR) Mr President, I would like to thank all the Members for the quality of their speeches.

The Council has asked the Commission to develop a platform which is not limited to poverty, but which genuinely introduces a broader dynamic for dealing with the fight against exclusion and the role of social welfare.

I would also like to say that, in the austerity measures, which the Commissioner has just spoken about, it was obviously important to consider the measures to be taken in order to ensure that austerity does not make people even poorer. The fight against poverty really must not be forgotten today.

I would also thank the Commission for its efforts in trying to establish greater legal certainty for social services of general interest (SSGIs), and particularly in respect of their specific characteristics.

It is genuinely our wish to pursue discussions, in particular within the Social Protection Committee, as well as to improve dialogue with the various stakeholders, both institutional and non-institutional. As Mr De Rossa stressed, it is clear that, in the debate on SSGIs, the involvement of the European Parliament is, and must remain, extensive. Article 14 is also an important element which we must use in the discussions on SSGIs. Indeed, it will be one of the important subjects to be discussed during the third forum on 26 and 27 October.

Finally, discussions on social affairs are difficult within the Council because of budgetary restrictions, as you know. Nevertheless, social services fulfil necessary tasks – indispensable ones – which therefore require very specific attention, and, although their specific characteristics are recognised, this means that we must provide a specific way of dealing with them.

I will finish by thanking Commissioner Andor for his dynamism and his desire to make progress in everything relating to social affairs.

**IN THE CHAIR: MIGUEL ANGEL MARTÍNEZ MARTÍNEZ**

*Vice-President*

**President.** – The debate is closed.

**Written statements (Rule 149)**

**Nuno Teixeira (PPE)**, *in writing*. – (PT) The financial crisis has been contributing to a severe worsening of the European public's social situation. The recovery has been taking its time to be felt, with high rates of unemployment and weak economic growth. The Europe 2020 strategy (EU 2020) aims to set out a plan to facilitate the creation of economic growth that can offer higher employment and greater competitiveness within the Union. Its defining initiatives constitute a path for us to follow towards making Europe more inclusive for Europeans. The Treaty of Lisbon reinforces Europe's social policy dimension. Europe belongs to the European public and part of its mission is to contribute to promoting employment, and to improving living and working conditions. I would stress the crucial nature of dialogue between social partners, and the role of small and medium-sized enterprises as a driving force for the economy. We must realise the Treaty of Lisbon's objectives regarding social issues through the specific proposals included in EU 2020, for example, defining initiatives such as 'an industrial policy for the globalisation era' or 'an agenda for new skills and jobs'. Europe must be more competitive and able to face up to the challenges of globalisation without, however, refraining from being inclusive and aiming for development that is sustainable and which guarantees social integration.

**Silvia-Adriana Țicău (S&D)**, *in writing*. – (RO) The Treaty of Lisbon reconfirms Member States' commitment to the basic social rights set out in the European Social Charter (in 1961) and in the Community Charter of the Fundamental Social Rights of Workers (in 1989). The Treaty of Lisbon reaffirms that the European Union is working for Europe's sustainable development. The EU economy is a social market economy, promoting a large degree of competitiveness. Its objectives include full employment, social progress and a high level of protection for and improvement in the quality of the environment. The EU combats social exclusion and discrimination, and promotes justice and social protection, gender equality, solidarity between generations and the protection of children's rights.

In August, the unemployment rate across the EU-27 was 9.6%, with a rate of youth unemployment of 20%. The economic and financial crisis has had a dramatic impact on the social environment, with the main concern for European citizens nowadays being jobs and quality of life. The European Union is primarily about its 500 million citizens, which is why Europe must have a social aspect. Social Europe must offer European citizens jobs and a decent living, its young people high quality education and the prospect of integration into the labour market, and its pensioners a decent living and high quality healthcare services.

#### **14. Third countries whose nationals must be in possession of visas when crossing the external borders of Member States (debate)**

**President**. – The next item is the report by Mrs Fajon, on behalf of the Committee on Civil Liberties, Justice and Home Affairs, on the proposal for a regulation of the European Parliament and of the Council amending Regulation (EC) No 539/2001 listing the third countries whose nationals must be in possession of visas when crossing the external borders of Member States and those whose nationals are exempt from that requirement (COM(2010)0256 – C7-0134/2010 – 2010/0137(COD)) (A7-0256/2010).

**Tanja Fajon**, *rapporteur*. – (SL) Mr President, representatives of the European Commission, Commissioner Malmström, representatives of the Council, of course, ladies and gentlemen, I will try to use four minutes now and, if necessary, two more at the end.



Albania and Bosnia and Herzegovina have met all the conditions and stand ready for visa liberalisation. The European Commission has confirmed this, as indeed did we last week, in the Committee on Civil Liberties, Justice and Home Affairs, without a single vote against. The expectations of the Albanian and Bosnian and Herzegovinian public, that tomorrow in this House, we will be giving the green light, are legitimate, and these people deserve that.

I would like to welcome Mr Sven Alkalaj, the Minister for Foreign Affairs of Bosnia and Herzegovina, and Mrs Jozefina Topalli, the Speaker of the Albanian Parliament, who are seated in the gallery and who are closely following this debate. It is time we sent out a message to these two countries: we are ready for you, you have met the conditions. We will knock down the visa walls that have divided the countries of the Western Balkans for far too long.

We have long struggled to achieve this common goal of ours and I would like to thank everyone who participated in this process, especially the European Commission and the Council. I am pleased that my own country, Slovenia, has played a very important role here.

To the people of Bosnia and Herzegovina and Albania, the European Union sometimes seems a lot further away than it really is. With visa liberalisation, we will be taking a major step forward towards building confidence among the people and continuing with the urgent reforms still needed to bring them to fully-fledged membership.

Albania and Bosnia and Herzegovina have made their borders secure, they have ensured the security of biometric passports, and they have made significant steps in the fight against corruption and organised crime.

Last year, the European Union liberalised the visa regime for the Former Yugoslav Republic of Macedonia, Serbia and Montenegro and their joy was indescribable. That makes sense because, some twenty years prior to that, the citizens of the Western Balkans used to travel west without any visas. It seems to me that this is not merely a diplomatic gift. It is now our duty, the duty of the European Union, to fulfil our promise. What is at stake here is our credibility and the credibility of the European Union.

Might I remind you that, last November, it was Parliament itself, together with the European Council, that undertook to deal with the visa liberalisation for Albania and Bosnia and Herzegovina, under an expedited procedure, as soon as these countries met the conditions.

I therefore call on you to support my report, so that we can send a truly positive message to both of these countries. Their people deserve it more than ever before and. I believe that we will very soon be followed by our European governments.

Ladies and gentlemen, representatives of the Commission and the Council, let us make an effort and perhaps take one more step to make it possible for the citizens of Albania and Bosnia and Herzegovina to travel freely before the Catholic Christmas, thus, before the end of this year, so that they can visit their relatives and friends during the holiday season. We did that last year in the case of the FYROM, Serbia and Montenegro and I believe that, with the amount of will that we have, we will also be able to do it this year.

One final thing I would like to add is that our 'yes' in Parliament tomorrow will be recognition of the very hard work done by both countries, Bosnia and Herzegovina and Albania. They have met all the conditions, which is the key criterion for us, and I think that

that recognition will be a very good incentive to all the countries of the Western Balkans, because it would show that hard work really does pay.

**Cecilia Malmström**, *Member of the Commission*. – Mr President, I would like to start by thanking the rapporteur, Mrs Fajon, for her very committed, enthusiastic and hard work on this dossier. It has been a great pleasure working with you – and the shadow rapporteurs as well – in our joint efforts to grant a visa-free regime to the citizens of Albania and Bosnia and Herzegovina.

The proposal we discussed today confirms the European Union's political will and our commitment on the liberalisation of short-term visa requirements for the citizens of all Western Balkan countries. This is part of the Thessaloniki Agenda and a cornerstone of our integration policy for the Western Balkans.

By supporting the free regime, we are not only sending a political message. That message is important, but we are also concretely facilitating people-to-people contact, enhancing business opportunities and cultural exchanges, and giving people the opportunity to get to know each other – giving the people of Bosnia and Albania the opportunity to get to know the European Union and vice versa.

We stand here today as a result of the hard work of the authorities and the people of these two countries, and I would like to pay tribute to that work. I congratulate them for the efforts made and the important results achieved. The result-oriented visa liberalisation dialogues between the two countries and the European Commission acted as a very strong initiative and incentive, accelerating reforms towards reaching EU standards in the core areas of justice, liberty and security.

The two countries have made important progress in improving passport security, strengthening border control, reinforcing the institutional framework to fight organised crime and corruption, as well as in external relations and fundamental rights. The Commission has thoroughly monitored the steps taken.

In our proposal of May this year, the Commission identified a limited number of remaining open benchmarks for both Albania and Bosnia and Herzegovina, which required further monitoring. This approach followed exactly that which was taken in 2009 for Montenegro and Serbia.

In the case of Albania, the open benchmark related to the development of a policy to support the reintegration of Albanian returnees, the strengthening of capacities in the fight against organised crime and corruption and, finally, effective implementation of the confiscation of organised crime assets.

Regarding Bosnia and Herzegovina, the open requirements were the strengthening of the capacities of the fight against organised crime and corruption, steps towards improved electronic police data exchange, and harmonisation of the criminal code between state and entity levels.

On the basis of detailed information provided by the two countries, expert missions with valuable participation of Member States' experts during this summer and, later, with other information available, the Commission was able to present, on 14 September, our assessment of the fulfilment of the remaining open benchmarks. It showed that both countries had undertaken all necessary measures to fulfil all open benchmarks listed in the proposal of May this year.

Consequently, the Commission considers that all the preconditions listed in the road map are met, and on this basis we propose to grant the visa-free regime. Let me underline that the visa-free regime of the two countries also comes with responsibilities. In order to prevent abuse, it is essential that Albania and Bosnia and Herzegovina take all necessary measures to limit influxes of persons making unfounded asylum applications. This aspect has been very strongly highlighted through the contacts between the Commission and the two countries, and I know that efforts have already been made by the two countries in this respect.

It is important that you continue the information campaigns, with the aim of properly informing and explaining to your citizens the meaning of short-term visa travel and what it entails, in particular, warning against misuse for purposes incompatible with visa travel.

Now we are here – and this is a very important step – I hope that the Council will be able to finalise the examination of this proposal during the coming weeks and that we can have a formal adoption that will be confirmed for November.

**Sarah Ludford**, *rapporteur for the opinion of the Committee on Foreign Affairs*. – Mr President, I would like to join with Commissioner Malmström in sincerely thanking Tanja Fajon for her committed and patient hard work. I have been a modest member of her team, under her leadership over the last eighteen months, in what I know she has and I have regarded as an extremely important exercise.

It is reported – and I am quoting from an English translation of the report – that the French European Affairs Minister, Pierre Lellouche, has called visa policy a matter of security. He apparently said in the Assemblée Nationale the other day that ‘my position and that of the government is that the visa issue is a matter of security. It is not only a diplomatic present which we offer along the way’. As I say, I am quoting from an English translation.

Yes, we agree, but I will come back to the issue of security shortly. Of course – and Tanja Fajon dealt with that – it is not a diplomatic present. But he went on apparently to say that France would request security guarantees from the two countries. But that is exactly what the Commission has done, under the usual, carefully prepared road map which has had the full support of the Council of Ministers as well as of Parliament.

So all the points that Commissioner Malmström made were absolutely pertinent and she is also right to add that it must be made plain, and will, I am sure, be made plain to their citizens by the national authorities of those two countries, that it is a right that must not be abused; that it is a right for short-term travel, for tourism, for exchanges, for business and so on, and it is not for other purposes, including work.

But just to come back to that point about security in the broadest sense. The European Union is about security in the broadest sense and this is part of the whole exercise of opening up minds, of fighting nationalism, of fighting ethnic conflict, of building a continent on peace and prosperity, and that is what we want to open up the eyes of the citizens of those countries to.

We are all in this together and we hope to prepare them to become members of the European Union because the European Union is a security project. We made this deal. We said, if you jump through these hoops, you will get visa-free travel. If France or any other Member State had doubts about this journey, they should never have given support to the visa liberalisation road map. They must not now fail this promise.

**Anna Maria Corazza Bildt**, *on behalf of the PPE Group*. – Mr President, I am glad that tonight we can finally say to the people of Albania and Bosnia: ‘You have not been forgotten’.

I hope that the vote in plenary tomorrow will show a strong commitment by this Parliament to visa liberalisation for Albania and Bosnia. The EPP urges the Council to respect their undertaking in the joint declaration adopted by the Swedish Presidency to grant a visa-free regime as soon as possible.

Now that the benchmarks have been met – according to the European Commission – the people of Albania and Bosnia should see the light at the end of the tunnel and get visa-free travel to EU-Schengen by Christmas.

The EPP has been fully committed to accelerating the process of visa liberalisation, treating all the countries of the Western Balkans equally. We have pursued a consistent, realistic and credible line all the way through, supporting the authorities and taking the responsibility for the reform process while respecting the legitimate security concerns of European citizens.

I sincerely regret that false expectations were raised with unrealistic timetables, and I am pleased that the other part of this House has finally joined our realistic path, accepting that, unfortunately, there were no possible shortcuts. We were ready when they were ready. Now they are ready, and we congratulate the authorities of Bosnia and Albania for their achievements in pursuing the reforms.

Strengthening the rule of law, combating crime and corruption are important for the people of the region and help close the gap with the European Union. People-to-people contact, as Commissioner Malmström said, and breaking the sense of isolation, are important to promote stability in the region in a European perspective.

I experienced the siege of Sarajevo and was in the war in Bosnia for years. The plea of the people who felt locked in and left behind is really close to my heart and has been at the basis of my commitment since I entered this House in the summer of 2009.

**Monika Flašíková Beňová**, *on behalf of the S&D Group*. – (SK) I would first like to thank my colleague, Tanja Fajon, for this report.

It cannot be denied that a so-called visa wall has gone up over the past two decades between the European Union and certain western Balkan countries. Fortunately, a section of this wall was knocked down last year, when we removed the visa requirement for citizens of Macedonia, Montenegro and Serbia. This work must continue, however, and the advantages of visa-free movement around the European must also be granted to the citizens of Bosnia and Herzegovina, Albania and, in the future, perhaps Kosovo as well.

In the first place, it has to be said that the governments of these countries have made enormous strides over the past year, fulfilling almost all of the Commission’s demands. Secondly, ladies and gentlemen, we cannot be so naive as to imagine that the current regime prevents criminals from crossing the border. They always know how to find a way. We are not talking today about criminals, or even about politicians, businessmen or entrepreneurs. We are talking about ordinary people from the Balkans. We are not talking about safeguarding jobs or the right of residence. We are discussing today the fundamental right of future citizens of the European Union to travel freely around the Union and to forge social and professional links with partners from the EU Member States. Thirdly, liberalisation of the visa regime will help to stabilise the western Balkans and strengthen

political and economic cooperation, to boost the inhabitants' support for the EU and the prospects for European integration, expand people's horizons and put a stop to the forces of anti-European extremism.

The only reservation I have over the report concerns Kosovo. I agree with Mrs Fajon that ordinary people from this area should not be hostages to the current political situation but, at the same time, it is necessary to formulate the decision on free movement for Kosovars clearly in such a way that their leaders do not begin to interpret it erroneously as a *de facto* recognition of their declaration of statehood. We must make all efforts now for the visa-free regime to be introduced as soon as possible for citizens of Bosnia and Herzegovina and Albania. Bosnia and Herzegovina has made dramatic progress in recent months, after the EU ruled in July last year that these countries did not fulfil the conditions for liberalising the visa regime. As long as these advantages are granted only to certain nations, there will always be a risk of destabilising the region, as well as a danger that the political and ethnic mosaic will shatter into even smaller pieces. The governments of these countries have worked hard over recent months to eliminate their shortcomings, make up for lost time, and provide quality levels equal to those of neighbouring countries.

The knowledge that the European Union will soon allow both countries – and particularly Bosnia and Herzegovina – visa-free travel, will reduce the risk of even greater ethnic and political instability, strengthen political and economic cooperation, boost the inhabitants' support for the EU and the prospects for European integration, expand people's horizons and put a stop to the forces of anti-European extremism.

**Nathalie Griesbeck**, *on behalf of the ALDE Group*. – (FR) Mr President, Commissioner, I, too, would like to congratulate our fellow Member, Mrs Fajon, on her excellent report, and also to say that, although we are talking about a very important first step or phase, the visa exemption proposed in this report is nevertheless the cornerstone of progress on the road to integration.

As you have said, Mrs Fajon, this is, in fact, a big moment for all the citizens concerned, and especially young people, for whom freedom of movement is a very important factor in their ability to become citizens who are open to the rest of the world. I completely share your desire to see this report adopted very quickly so that things can move forward by Christmas.

However, I would not want us to stop there, and I would like the process to allow us to go further. We cannot let the citizens of Kosovo be the only citizens in the Balkans who cannot travel freely, and I hope that the Commission will look into this issue without delay.

Thus, while retaining our European requirements – and, as a French person, I fully support Baroness Ludford in saying that the government position is not the only view in France – I suggest that we should proceed without fear along this path of liberalisation.

**Marije Cornelissen**, *on behalf of the Verts/ALE Group*. – (NL) Mr President, I have every confidence that, tomorrow, a large majority of this House will vote in favour of visa-free travel for Bosnia and Herzegovina and Albania. And rightly so. Despite all kinds of political troubles, they have worked very hard to comply with these criteria. In fact, they have progressed further in that respect than Serbia and FYROM had at the time when they were granted visa waivers. Therefore, I have no worries on our Parliament's score. We have said that criteria are criteria and, as soon as a country complies with them, we will grant its

citizens visa-free travel. That is important for young people, for business people and for everyone.

What I am worried about, however, is the Council of Ministers. There are rumours that some countries are having doubts. I hope that these rumours are unfounded. If the Council fails to allow visa-free travel soon, that would send out the wrong message. We would be seen to be applying double standards. The perception would be that criteria do not really count for anything, because everything really depends on political games. That the Council does not trust the Commission's opinion. Where will that leave us then?

The matter is quite simple, in fact. The Commission has indicated that Bosnia and Herzegovina and Albania have complied with the criteria and, therefore, the European Parliament and the Council of Ministers must recognise that, as soon as possible. They might have their own opinion about the Commission and politicians in these countries, but this is about the people who live there.

**Charles Tannock**, *on behalf of the ECR Group*. – Mr President, visa liberalisation is an important step for any country seeking a closer relationship with the European Union. Making it easier for bona fide citizens of third countries to visit the EU, for business and tourism, is an important part of integrating these countries with our own Union.

The positive experience of extending visa liberalisation to Montenegro – for which I had the privilege of being the rapporteur of this Parliament – to Serbia, and to Macedonia, has given extra momentum to these countries' aspirations for EU membership. However, we must eventually give all countries in the western Balkans an equal opportunity to achieve this status if they qualify for it. After all, this is nothing more than what they used to enjoy in the days of the former Yugoslavia.

Extending visa liberalisation now to Albania and Bosnia and Herzegovina is therefore a natural progression of a long-standing strategic policy which I welcome on behalf of my group. But we should be insistent on all of these countries reaching and maintaining high standards of passport biometric security. Visa liberalisation is a privilege and not an automatic right which can be taken for granted.

As for Kosovo, concerns still remain about the quality of passport security and organised crime. Until these questions are fully answered, Kosovo must necessarily remain outside the scope of our policies. But I, for one, am not opposed in principle to Kosovo eventually achieving visa liberalisation. Even though five EU countries do not recognise it, this alone should not be a reason not to grant Kosovo as a territory the right to freedom of travel to the European Union. No EU Member State recognises Taiwan, a territory for which I happen to be the President of the Friendship Group of this Parliament, but nevertheless, our Union is shortly expected – and rightly so – to grant visa-free privileges to Taiwanese nationals. So Kosovo, a bit like Taiwan, should enjoy the same privileges eventually when the time is right.

**Cornelia Ernst**, *on behalf of the GUE/NGL Group*. – (DE) Mr President, ladies and gentlemen, I would like to offer my thanks to Mrs Fajon for her excellent report, which has really moved us forward on this issue. The Confederal Group of the European United Left – Nordic Green Left is very clear in its support for visa liberalisation throughout the Western Balkans, and in this case we are, of course, also in favour of the removal of the visa requirement for Bosnia and Herzegovina and Albania, specifically so that the opening up

of these countries actually gets under way and because it will provide better opportunities for their overall development. We hope that such opportunities will really be exploited.

Personally, I would also like to see this kind of arrangement in place for Kosovo very soon – or at least for initial talks to take place. There is an urgent need for this, as Kosovo is otherwise a small island in the Western Balkans that is actually cut off. What worries me, however – and I want to make this point – is that we are compelling the introduction, at the same time, of biometric data. I want to be very clear on this: the use of biometric data is as controversial as ever and, above all, the use of such data is not secure. I say this on the back of news in Germany a few days ago that the PIN codes can be, and have been, cracked. There needs to be an acknowledgement that this kind of thing can happen.

Let us do everything we can to ensure not only that these countries have their visa requirement lifted, but that social and economic development is set in train there. There is an urgent need for this in both countries, and the people have earned it. We in the EU should also work towards this goal.

**Mario Borghezio**, *on behalf of the EFD Group.* – (IT) Mr President, we will vote against this report not least because the rapporteur proposes exerting pressure on the Commission and the Council to speed up the process of visa liberalisation for Kosovo. Do we realise what we are discussing? Do we realise that Kosovo is finding it difficult to reintegrate the thousands of Roma who sought asylum in Germany? This is an extremely sensitive situation for the entire European Union.

Do we realise that visa liberalisation – which I have heard said will be used only by students and respectable people, even though I personally do not agree at all with that optimistic statement – will simply mean that Europe becomes a hotbed of Roma? We really do not need this, considering the serious problems we are facing with integration and resolving the extremely severe problem of the Roma.

As far as Albania is concerned, I would like to point out that the Commission again proposed in May that Albania and Bosnia and Herzegovina should be able to allow their citizens to circulate within the Schengen area with electronic passports. The proposal was not, however, taken forward due to Albania's shortcomings with regard to reintegrating repatriated Albanians.

I believe that security and control issues exist that weigh on visa liberalisation like boulders. We need to think about this very carefully: visas are necessary, and how!

**Daniël van der Stoep** (NI). – (NL) Mr President, the delegation of the Dutch Party for Freedom (PVV) is against the visa waivers for Bosnia and Herzegovina and Albania, two countries which are affiliated, as a member and an observer, respectively, with the Organisation of the Islamic conference. This is an organisation which upholds sharia as the basis of human rights and which is holding the United Nations hostage with its undisguised anti-Semitism. How on earth can you hand out symbolic gifts to countries that claim that sharia law is the basis of human rights? Sharia is a law which governs every aspect of life in an Islamic society, from civil and family law to criminal law. It stipulates how you must eat, dress and, even, how you must use the toilet. Oppression of women is good, drinking alcohol is bad. This is beyond me.

Can somebody explain to me how this law can exist side by side with the fundamental and human rights so cherished by this European Union? These two countries could almost be considered the most corrupt countries in Europe and, yet, Parliament finds it necessary to

reward them with a visa waiver, merely because they have been less corrupt than Zimbabwe. This is being concealed behind statements such as 'Well, it will allow them to visit their families or to complete a course of study abroad'. That, of course, is absolute nonsense, because that possibility already exists. Only they first have to obtain a piece of paper giving them permission for that. It is absolute nonsense to waive their visa requirement on the grounds that they would otherwise be trapped in their pitiful little countries. What a load of nonsense! Dutch cities have already been swamped by hordes of Poles, Romanians and Bulgarians. It is enough to drive you round the bend. This visa waiver will only make things worse. How profoundly sad!

*(The speaker agreed to take a blue card question under Rule 149(8))*

**Emine Bozkurt (S&D).** – (NL) Mr President, I would like to put a question to Mr van der Stoep. You said that these are countries which use sharia as the basis for human rights. Could you please tell us what specific proposals the parliaments of Bosnia and Herzegovina and Albania have debated with a view to introducing sharia and on what dates these debates took place? You are making an assumption that you cannot substantiate are you not? I hope that you will be able to do so, but do let us know.

**Daniël van der Stoep (NI).** – (NL) Mr President, Mrs Bozkurt is, of course, well aware that I am not familiar with the exact details of everything that is happening in Bosnia and Herzegovina and Albania, nor is it of any interest to me, to be honest. Could I remind her of the fact that the Cairo Declaration explicitly states that sharia is the basis of human rights and that Bosnia and Herzegovina and Albania are signed up to that declaration. Could you explain to me how you cannot see anything wrong with that? If you have sharia as the basis for human rights, well, you must be out of your mind then mustn't you? That is all I can say on that score.

**Agustín Díaz de Mera García Consuegra (PPE).** – (ES) Mr President, I would first of all like to congratulate Mrs Fajon on producing a report that involved so much commitment in such a determined way.

I would also like to congratulate my colleague and friend, Mrs Corazza Bildt, for her determination and passion in taking on the commitment of visa exemptions for Bosnia and Herzegovina and for Albania, two countries that desperately need them.

Like you, I, too, was in Sarajevo and Mostar during the war, and I too witnessed Milosevic's mass population displacements and the solidarity of the Albanians. That is why I am expressing my joy here today, Mr President, because, happily, justice is being done. Since the Salonica Summit in June 2003, when the European Union at last took the welcome step of committing to exempt the Western Balkans from visas, following the first stage when the two countries did not fulfil the requirements, we can now reaffirm and welcome the commitment that finally, Albanians and Bosnians are going to be able to travel to EU territory.

Mr President, Commissioner, the need to bring stability to the Balkans, especially to countries that will certainly join the Union in the future, and to facilitate the mobility of a population that is currently isolated, must, in my view, be one of Parliament's political obligations.

**Emine Bozkurt (S&D).** – Mr President, I would like to thank the rapporteur, Tanja Fajon. In Bosnia and Herzegovina, people feel as though they are trapped in a cage after the war in the 1990s. Now, finally, the door will open for them to get out.



Tomorrow is the day when the European Parliament can give a clear sign that the people of Bosnia and Herzegovina and Albania are welcome visitors in Europe. The European Commission concluded that both countries have fulfilled the benchmarks for visa liberalisation. The reforms are important for those countries but also for the EU. Significant progress has been made in securing the borders and improving cooperation in combating cross-border crime – like human trafficking and drug trafficking – and it will be possible to return persons who are illegally staying on European soil.

The experience of visa liberalisation showed that leaders in Bosnia and Herzegovina were willing and able to agree to process the required reforms quickly. The cooperation and effectiveness of these reforms will, hopefully, serve as an example for further reforms needed for EU integration, but it is also of huge importance for people who will finally be able to visit their families, especially with regard to the wide diaspora that Bosnia and Herzegovina has in Europe. It is also essential for young people and students to envisage their European future. They will have the chance to look over the walls of their own country. Hopefully, they will tell their new leaders that EU integration should be high on the agenda.

The last thing we want is a black hole in Europe. The European Commission – and we in Parliament – want to lift this isolation. We promised the countries visa liberalisation when they fulfilled the criteria. With the Commission's and the European Parliament's consent, two thirds of the European institutions will recognise their effort and progress. I want to see the Council also fulfilling its promise so that, finally, Bosnian and Albanian people will see that there is light at the end of the long tunnel.

**Jelko Kacin (ALDE).** – (SL) Congratulations Tanja. Commissioner, ladies and gentlemen, let us be clear about why Albania and Bosnia and Herzegovina failed to secure visa liberalisation for their citizens last year. It is because they failed to do a piece of political homework that would have demonstrated their responsibility towards their citizens. This year, however, the parliaments and governments of these countries have successfully passed their resits. Yet, they did so only at the last moment because there are still doubts in the minds of some people over there.

We in the Group of the Alliance of Liberals and Democrats for Europe are looking forward to the visa liberalisation and we would like to say to the citizens of Albania and Bosnia and Herzegovina that they are our friends, our partners and our dear neighbours. They will be welcome when they come to visit us and their relatives, who are, with their hard work and together with us, building a united, better, richer and larger European Union.

The decision to liberalise visas which is to be taken in the European Parliament is our common achievement, an important political, and a sincere human, message. Visa liberalisation is intended to benefit the people of these countries, not to reward their politicians. However, the governments of both countries must persevere in their efforts to persuade the ministers for the interior of EU Member States that they are fully committed to the implementation and consistent observance of the rules and obligations they have taken on.

**Ulrike Lunacek (Verts/ALE).** – (DE) Mr President, I, too, would like to thank Mrs Fajon, on behalf of my group, for her excellent work, and also to offer thanks to Commissioner Malmström, as I believe that they both played valuable roles and have taken the right steps. The vote in Parliament tomorrow will make the promise of a European future more tangible for the citizens of Albania and of Bosnia and Herzegovina. It will be possible to finally secure for them what the people of Serbia, Montenegro and Macedonia

have had since last year. This broad consensus in the European Parliament tomorrow will also set a clear challenge to the Council to make clear at its next meeting in November that it, too, will give the green light for this to go ahead, just as the Commission has already done and Parliament will be doing tomorrow.

As has already been said, we cannot allow a few Member States to now start wavering and advancing new arguments, such as the need for new security guarantees, when we know perfectly well that the only reason for this is their internal political debates – there is no basis in the reality of the criteria, which Albania and Bosnia and Herzegovina have already met. In other words, tomorrow, we will be challenging the Council to give the green light, as the Commission and Parliament will already have done.

As the rapporteur for Kosovo, I also have to say, however – and this point is partly addressed to Mrs Flašíková Beňová, who, I think, is unfortunately no longer in the Chamber – that Kosovo is an independent State. This is true despite the five EU Member States that have not yet recognised it, that do not want to see the reality. It is a fact; it is the reality. As rapporteur for Kosovo, I also call on the Commission to finally give the government in Kosovo a road map so that a start can be made on the work, and so that freedom from visas, freedom to travel, can finally be on the horizon for the citizens of Kosovo as well.

**Jaroslav Paška (EFD).** – (SK) The submitted proposal – a regulation of the European Parliament and of the Council – will enable citizens of Albania and Bosnia and Herzegovina to travel without a visa to all countries of the European Union.

At a time when a number of Islamic organisations are threatening Europe with terrorist attacks, it is, in my opinion, a surprising and positive gesture, intended perhaps for the entire Islamic world. However, outside the framework of the regulation, there is the reference to Kosovo which has appeared in the explanatory memorandum. According to almost two thirds of the Member States of the United Nations, under the terms of UN Security Council Resolution No 1244 and UN Charter Chapter 1 Article 2.7, Kosovo is formally a legitimate part of the Serbian Republic, even if under a kind of special protectorate today. I therefore think, Commissioner, that we must scrupulously respect international law in the case of Kosovo, and not divide up the citizens of Serbia according to place of residence or ethnic criteria, but allow inhabitants of the Serbian province of Kosovo to travel around all the countries of the European Union with a Serbian passport in the same way as other citizens of Serbia.

**Philip Claeys (NI).** – (NL) Mr President, it is a particularly unwise idea to liberalise visas for countries such as Bosnia and Herzegovina and Albania. In her explanatory statement, Ms Fajon said, in precisely these words, that this is mainly about students and young people coming to visit their friends and family. Is this real naivety or are you just feigning naivety, in an attempt, as it were, to actively deny reality? For instance, you argue in your report that scrapping the visa requirement will contribute to the elimination of ethnic and political instability. Let us face it; the only thing we will be doing is simply importing much of that instability into the European Union.

Allow me to read you a quotation from a report by Europol, Eurojust and Frontex on the state of internal security in the EU. This is a document from 7 May 2010. 'Albania, Kosovo, Serbia, Montenegro and FYROM are transit countries to the EU for illegal migrants and victims of human trafficking for sexual exploitation, cannabis products, heroin, cocaine, cigarettes, synthetic drugs and precursors, counterfeit Euros and firearms. Albanian-speaking organised crime groups are prominent, particularly in trafficking heroin and women for

sexual exploitation'. Unquote. Therefore, instead of tightening checks, we are now going to abolish visas, open our doors wide and make the problem of imported crime even worse.

**Andrey Kovatchev (PPE).** – (BG) I welcome Mrs Fajon's report and the Commission proposal to remove the visa regime for Albania and Bosnia and Herzegovina. Practice has shown that, unfortunately, visas are not always the most effective method of stopping illegal immigration and organised crime. Those who suffer most from travel restrictions are ordinary people, and particularly the young. They prevent the future citizens of the European Union from seeing and appreciating everything that we have achieved in Europe together, and from meeting and befriending other Europeans of their age group. I should like to point out to some of those who have just raised voices of criticism that the visa-free regime with Macedonia, Montenegro and Serbia has not had any negative consequences. The European Union has undertaken a commitment to give the Western Balkans a clear European perspective, so let us do our bit and give these countries a visa-free regime.

Of course, we cannot compromise on measures to fight organised crime, money laundering, human trafficking and drug smuggling. Intensifying legal and administrative reforms and improving the rule of law in these countries is also important. Nobody in Europe should feel isolated and excluded without an opportunity to travel. The European Union is founded on values we share with our neighbours and with the countries which have set out on the road of European integration. I am glad that we are opening the doors to the Albanians and Bosnians as one day we expect them to be European Union citizens too. Lifting the visa regime in the Western Balkans will benefit security, the freedom of the citizens of those countries and the entire European Union. Kosovo also needs to be included in the visa liberalisation regime. After the lifting of restrictions on Albania and Bosnia and Herzegovina, the citizens of Kosovo will be the only people left in the Balkans who will require a visa to travel to Europe. Regardless of our differences with regard to Kosovo, it needs to be given a road map towards a visa-free regime by European leaders. I believe that this will provide an opportunity to reduce ethnic tension in the Balkans, and they will no longer be the historical powder keg of Europe but become a model of law abidance, civic freedoms and a guarantee of prosperity.

**Silvia-Adriana Țicău (S&D).** – (RO) I would like to begin by congratulating Tanja Fajon for her report.

As part of the Thessaloniki Agenda, the visa liberalisation process with Albania and Bosnia and Herzegovina takes into account the progress made during the dialogues held over the last seven months. A thorough assessment has been carried out on a case-by-case basis to produce a set of criteria relating to illegal emigration, public order and safety, as well as the European Union's external relations with third countries.

In this context, special attention must obviously be focused as well on the security of the travel documents issued by the third countries in question. The visa waiver has been based on road maps adapted for each country. There is a need for a reminder here about the European destiny of both countries and that they have already lifted visa requirements for all European Union citizens.

Finally, I want to point out that this visa waiver should be applied only to holders of biometric passports issued by each of the two countries in question.

**Kinga Gál (PPE).** – (HU) Mr President, Commissioner, ladies and gentlemen, we welcome the fact that at last, nearly a year after adopting our position on Serbia, Montenegro and

Macedonia, we can now adopt a position in the matter of the visa-free regime for Bosnia and Herzegovina as well. Special recognition is due to the rapporteur, Tanja Fajon, and my colleague, Anna Maria Corazza Bildt, for their dedicated work.

The issue of visa-free travel in Europe cannot be considered either a privilege or a diplomatic gesture. It is based on reciprocal commitments, which means that security concerns cannot jeopardise our political goals. I would therefore like to thank the Commission emphatically, and Commissioner Malmström personally, for the work they have done to ensure the sustainability of the timetable undertaken for the liberalisation of the visa-free regime for the Western Balkans.

The fact that we are only a few days after the elections in Bosnia and Herzegovina makes this issue particularly relevant. The results of the election also show that the deep divisions along ethnic lines cannot be abolished in one fell swoop. It is the visa-free regime that offers the next generations, the young people, access to a European perspective, and this European perspective can help achieve reconciliation. It is for this reason as well that a visa-free regime is needed in this region. The road to the creation of the conditions required for peaceful coexistence leads through the European Union, and by supporting the visa-free regime, we are making our own contribution to this goal. This is why we should not forget about Kosovo either, and we need to draw up a timetable for that region as well, as soon as possible.

**Victor Boştinaru (S&D).** – Mr President, I think that we should support the visa-free regime for Albania and Bosnia and Herzegovina and I welcome very much the report of Tanja Fajon, but with regard to Albania, we must make sure that we send the message that a positive vote in the European Parliament does not in any way mean a reward for the Albanian Government. It is instead only a relief for the citizens of Albania, who, for over a year, have had to bear the consequences of a never-ending political crisis. It is anyway clear that the positive outcome in Parliament would only be half of the way for Albania, since unless they make concrete progress, some members of the Council will end up with reservations.

Until now, the Albanian Government seems not to have made any progress or shown any effort to solve the political crisis, despite the resolution adopted by the European Parliament in June. The only field in which there has been visible progress was corruption, but unfortunately, in the opposite direction to what we expected, with cases of high-ranking members of the Albanian Government being daily brought to public attention in recent months, at least.

This is not the right way to act towards the EU and Albania should listen to the warning before it is too late.

**Georgios Papanikolaou (PPE).** – (EL) Mr President, the abolition of visa requirements for citizens from all the countries of the Western Balkans is real proof of the European prospects of their people. It is very important that Albania and Bosnia and Herzegovina now meet the terms and conditions and indicators required for exemption from the visa regime.

However, I should like to add a few points to what has already been said and to draw our attention to the following three comments: firstly, we will need, from now on, to be particularly careful and strict in terms of compliance with obligations in the illegal immigration sector. More importantly, I would remind the House that, in 2009, the land border between Greece and Albania and the Former Yugoslav Republic of Macedonia

accounted for the largest percentage, namely 34%, of illegal immigrants apprehended throughout the European Union.

Secondly, we must not ignore concerns about a possible increase in the number of economic migrants from these countries to the countries in the rest of the European Union for one additional reason: experience here in Brussels about a year ago from the increase in the number of applications for political asylum from the Former Yugoslav Republic of Macedonia, Serbia and Montenegro is still fresh. At that time, as we have been reminded, special action was needed by the Belgian Government immediately after visa requirements were lifted.

Finally, the questions raised here by certain Member States need answers and the Presidency needs to keep its promise and organise a meeting of experts to examine the points which some Members feel are still outstanding. These are outstanding issues which need to be sorted out if the procedure is to progress smoothly.

**Carlos Coelho (PPE).** – (PT) I will begin by congratulating Mrs Fajon on her excellent report and my colleague, Mrs Bildt, who was shadow rapporteur for the Group of the European People's Party (Christian Democrats), on the work she did on it. It has already been recalled that when, in November 2009, we adopted the visa exemption for Serbia, Montenegro and the Former Yugoslav Republic of Macedonia, we were only unable to do so for Albania and Bosnia and Herzegovina, too, for the simple reason that they did not fulfil the criteria. In fact, the liberalisation of the obligation for visas for access to the Schengen area is subject to a rigorous, case-by-case assessment. This assessment is based on criteria relating to strengthening the rule of law, public order and security, in particular, the fight against organised crime, corruption and illegal immigration; and to the external relations of the European Union with third countries. The assessment also takes into account the implications for regional coherence and reciprocity.

The proposal tabled by the Commission makes it possible to conclude, on the basis of the assessment reports, that these two countries currently fulfil the majority of the criteria for transferral from Annex I (the so-called 'negative list') to Annex II (the so-called 'positive list'). There are only a very limited number of criteria that are still being fulfilled and whose implementation is being monitored by the Commission. It is hoped that this process will be completed very soon.

The European Parliament and the Council have committed to making a decision as quickly as possible, as soon as these criteria are all confirmed to have been fulfilled. We are now honouring this commitment and we hope that the Council will also do so. As my colleague, Mrs Bildt, has said, it is time to send out a signal and to bring an end to isolation. Let us hope that these two countries will even be able to benefit from this exemption over the Christmas period. It would strengthen political and economic cooperation with this region and would serve as a way to bring an end to its peoples' sense of isolation.

#### IN THE CHAIR: ISABELLE DURANT

*Vice-President*

**Lena Kolarska-Bobińska (PPE).** – (PL) Madam President, the lifting of barriers and demolition of the walls which are presented by visa restrictions will be a very joyful moment, not only for the residents of Albania and Bosnia and Herzegovina, but also for us, the residents of the European Union, because this will confirm that we are true to our values of openness towards our neighbours. This will also guarantee us a safer neighbourhood.

While welcoming the fact that pains have been taken to deliver visa-free travel and demolish those walls for parts of the Western Balkans, a huge request and an appeal should, nevertheless, be addressed to the European Commission and to the Commissioner, and also to our fellow Members: let us remember the countries of the Eastern Partnership, let us remember, at this time, Ukraine, Moldova and Georgia. Further challenges await us. As we have now reached one stage, let us think right away about the next. These countries – Ukraine, Moldova and Georgia – have not even officially received road maps, which is something we have already appealed for during the present term of office of the European Parliament.

The European Union felt an obligation towards the Western Balkan states, and it should also have the same feeling about its – and our – eastern neighbours. The situation in both cases is similar – we are talking about neighbours who, not so long ago, were able to travel freely in some of the countries of the European Union. Now, unfortunately, they are the victims of restrictions, and they are mostly young people and students, because the elite can manage and are going to travel anyway. However, we are talking about the future of Europe, about students and young working people. It is not only the lives of these people which could be affected by visa liberalisation, but also the quality of democracy in the countries concerned, and this would result in a strengthening of our direct neighbours and, hence, a strengthening of the European Union. Therefore, I reiterate the appeal to the European Commission and the Commissioner to take up these further challenges and present a road map for the countries of the Eastern Partnership.

**Eduard Kukan (PPE).** – Madam President, I would like to congratulate Bosnia and Herzegovina and Albania for fulfilling all the benchmarks for a visa-free regime. I would also like to congratulate my distinguished colleague, Tanja Fajon, for her admirable, dedicated and enthusiastic work.

Freedom of movement is one of the most important freedoms on which the European Union is based. I am glad that we are broadening this principle to include the neighbouring countries of South-East Europe. This is an important step and a positive development on their way towards European integration.

I have personally seen the positive impact that visa-free travel has had on the citizens of Serbia, Montenegro and Macedonia since last year. Having a chance to freely travel to the EU is not only a practical advantage, but it has also, in many cases, taken away psychological barriers and reconnected people. This has also proved that the principle of conditionality used by the European Union for visa liberalisation has worked well and brought positive results.

Yet the EU also needs to keep up its credibility and commitment. It is important to ensure that the implementation of the visa liberalisation regime for Albania and Bosnia and Herzegovina is not delayed any longer. Not only will this bring good things for the people of these countries, but it will also strengthen the credibility of the European Union.

Finally, in order to bring more stability to the region, the policy of opening the EU to the Western Balkans should not stop here. I would therefore welcome, in the near future, a strategy and solution for a visa-free regime that could be proposed to Kosovo.

**Cecilia Malmström, Member of the Commission.** – Madam President, thank you very much for this debate. I feel a very powerful support for the Commission proposal to grant visa freedom to the citizens of Bosnia and Albania and I think that is a very good thing.

Hopefully, there will be a big majority tomorrow in the plenary and that will send a signal to the people of these two countries that the elected Members of the European Parliament strongly support their wish to travel more freely in the European Union.

I can reassure you once again that the benchmarks have been met. We have been monitoring very closely. We will, of course, remain in contact and monitor this, but they have been fulfilled. All countries must be treated equally. The benchmarks are clear and are very transparent. The process has been as transparent as possible.

A few words on Kosovo before I end. Kosovo is not forgotten. Kosovo is, of course, also a very important partner in this. They have made a lot of progress but still, in order to be credible, the Commission has to watch over all the benchmarks and all the conditions if we want to have credibility and legitimacy for this process. Kosovo is not ready. We are working with them. I know that they are making great efforts on the government side on readmission and on the reintegration of forced returnees. They need to do more. Once these conditions are met, we are, of course, ready to enter into a more formal visa dialogue with them. In the meantime, we can only encourage Member States to use all the facilities provided by the revised visa code when they are addressing the visa applications submitted by Kosovo citizens.

So, rapporteur, thank you for this very fruitful and very encouraging debate and I look forward to a very strong vote tomorrow in plenary.

**Tanja Fajon**, *rapporteur*. – (SL) I am very pleased to see that, with the rare exceptions who have admitted their obvious ignorance of the situation in the Balkan countries, the vast majority of this House agrees that it is time we supported the tearing down of visa walls in the Western Balkans.

It is true, as has been said several times, that criminals, those who have money, have already found ways to travel, but tomorrow in the European Parliament, we will be deciding the fate of ordinary people and their mobility, especially that of young people and students.

There is an entire generation that has grown up behind visa walls and, as we have said, Kosovo will remain a serious problem. We have to find a solution for these people as soon as possible because their isolation and frustration will understandably increase. Commissioner, we need clear guidelines in order to set the authorities in Kosovo to work.

Another thing is that, today, people in Albania and Bosnia and Herzegovina know a lot more than they used to thanks to our extensive information campaign. They know what visa liberalisation means, they know that, by abolishing their visas in the European Union, we will not be giving away jobs or rights to asylum or citizenship or suchlike. What we are offering them, however, is the fundamental right of every European citizen, the right to travel freely. For the citizens of Bosnia and Herzegovina and Albania, and for the people of the Western Balkans generally, this will be a major and important step on the road to the European Union.

To conclude, I would like to say that what we will be doing tomorrow and what we did last November will be important for all of us, for the strengthening of economic and political cooperation, not only in the region, but in the European Union as well. In particular, however, this will be important as regards relations between the peoples who are living, I might say, only a few kilometres from us. The message we will be sending out is that we are serious and that they have a clear European future. The people of Albania and Bosnia

and Herzegovina are expecting that from us. I think that is the message they will be waiting to hear tomorrow.

**President.** – The debate is closed.

The vote will take place tomorrow as planned.

**Written statements (Rule 149)**

**Elena Băsescu (PPE), in writing.** – (RO) I support the EU visa liberalisation initiative for Bosnia and Herzegovina and Albania. I would like to take this opportunity to raise the subject of visa liberalisation for the Republic of Moldova, a country which has made noticeable progress within the Eastern Partnership. Just as in the case of Albania and Bosnia and Herzegovina, the Republic of Moldova has made extraordinary efforts during the last year in order to achieve a visa-free regime. The government has already started to implement the measures requested by the EU of the Western Balkan countries as part of the road maps, promoting a 'preliminary implementation' policy. The first measures towards this have entailed the approval of the Aliens Act and initial work on devising the concept of Integrated Border Management.

The decision was also made to issue only biometric passports and the Rome Statute of the International Criminal Court was ratified. The visa 'barrier' tarnishes the EU's image in the Republic of Moldova significantly. The first step the European Union should take to remedy this is to draw up, as soon as possible, a road map for a visa-free regime. In the context of the forthcoming elections, this measure would send a powerful message of support to the pro-European forces in this country.

**George Becali (NI), in writing.** – (RO) I support the rapporteur's position when she says that the process of reuniting Europe as a continent will only be complete when all Europeans can travel freely to the European Union. It touches more of a raw nerve with me personally when we debate the subject of the Western Balkans and, in particular, the problems of Albania and the progress which allows the European Union to waive visa requirements for citizens travelling within the EU. Part of my family originates from Albania. I welcomed a year ago the same measure which was adopted, aimed then at Macedonia, Montenegro and Serbia. I will vote with complete conviction for the real right to free movement for European citizens from Albania and Bosnia and Herzegovina. We are all aware how cruel the wars were which resulted in the break-up of Yugoslavia and divided this region. We also know that young people in these regions find it most difficult to put up with isolation from a prosperous EU. Our role is to encourage them. The right to visa-free movement will help achieve this.

**Kinga Göncz (S&D), in writing.** – (HU) The European Parliament can once again demonstrate its support for the catching up process and EU accession of Western Balkan countries. I consider it highly significant that the liberalisation of the visa regime for citizens of Albania and Bosnia and Herzegovina will mean that almost all residents of the former Yugoslavia can enjoy visa-free travel in the European Union. Neither the granting of visa-free travel nor accession can have any requirements other than the fulfilment of the criteria. Both countries complied with the stringent requirements imposed on their internal and justice institutions, and have demonstrated that they are ready and able to fulfil the various expectations made of them. EU experts who have conducted on-site inspections have also ascertained that security risks can be eliminated. It is unacceptable for governments to allow their actions to be influenced by internal policy considerations rather than an impartial



assessment of the fulfilment of eligibility criteria. Granting visa-free travel also conveys to the countries concerned the message that they can overcome obstacles successfully if their preparations are supported by political agreement. I was pleased to learn that the political powers in Albania and Bosnia and Herzegovina have joined forces in order to achieve this goal. I sincerely hope that the possibility of joining the EU, as demonstrated by tangible results such as those achieved today, will speed up their process of catching up and help overcome the divisive, nationalistic efforts that can only hinder the process.

**Andreas Mölzer (NI), in writing.** – (DE) We have already seen from last year's visa liberalisation that many people equated visa-free travel with being given *carte blanche*. Countless people have used the more liberal visa conditions to travel into the European Union. How many of those people actually went back to their home countries once the period of time granted for their stay had expired, nobody knows. For us, it is obvious that visa liberalisation has nothing to do with jobs and the right of abode, but this does not seem to be clear to the people in question. Kosovo, in particular, represents a major problem for us in this regard. The EU has never been able to decide what it thinks more important or what it thinks is correct and proper – territorial integrity or the right of self-determination for peoples – and because we have ignored the problem of multinational states for too long, what we have now is a divided Balkan state.

The maths of stemming illegal entry into the EU through a readmission agreement cannot stack up while visa liberalisation continues to be abused. This idea needs to be put paid to. The importance of visa rules is also shown by the fact that Ankara seems ready to finally sign the readmission agreement in return for visa liberalisation for Turkish businesspeople. Such agreements are required for EU candidate countries. Together with the unfulfilled customs union agreement, this shows just how unready for accession Turkey is and is another slap in the face of the European Union. A stop must be put to the negotiations at long last. The aim should instead be to establish a privileged partnership.

**Siiri Oviir (ALDE), in writing.** – (ET) A visa-free regime has a great importance in people's lives as it strengthens people's contacts and helps to realise the idea of free movement, which is one of the fundamental rights in Europe. Already, in the context of the Thessaloniki action plan, the European Union has expressed the political desire to abolish the requirement for citizens of all the Western Balkan countries to obtain short-term visas. The definite fact that the European Union will, in the near future, give Bosnia and Herzegovina and Albania, as well as the citizens of the Former Yugoslav Republic of Macedonia, Montenegro and Serbia, the opportunity of visa-free travel will reduce the risk of an increase in ethnic and political instability, strengthen political and economic cooperation in the region, increase people's support for the European Union, and improve the prospects for European integration. At the same time, it will broaden people's horizons and hinder anti-European and extremist forces. However, I am unhappy about one fact, namely, that Kosovo is the only country which, because of private differences, the Member States have excluded from the abolition of visa requirements on citizens of Western Balkan countries. We do not want to punish Kosovo for private differences between inhabitants of the Member States, but the European Commission and the Council should quickly take steps to include Kosovo in the process of abolishing visa requirements, which would encourage Kosovo's state and government bodies and politicians to make the necessary structural reforms, and would strengthen political and economic cooperation with the European Union.

## 15. Basel II and revision of the Capital Requirements Directive (CRD 4) (debate)

**President.** – The next item is the report by Mr Karas, on behalf of the Committee on Economic and Monetary Affairs, on Basel II and revision of the Capital Requirements Directive (CRD 4) [2010/2074(INI)] (A7-0251/2010).

**Othmar Karas, rapporteur.** – (DE) Madam President, Commissioner, ladies and gentlemen, with this report on Basel III, the European Parliament has a clear position on the deliberations of the Basel Committee. We would like to draw attention to the unresolved questions and problems that Europe faces, and we are putting before the Commission a collection of demands for the drawing up of the draft directive. Although – and I would like to thank all the shadow rapporteurs in this regard – this report was adopted by 38 votes to 0 in the committee, I nevertheless feel a need, as rapporteur, to table six additional amendments, three of which relate to developments occurring in the meetings of the Basel Committee, in order to bring the report up-to-date, and three of which relate to the leverage ratio and to the liquidity standards.

We believe that it is not propitious to automatically incorporate the leverage ratio into Pillar 1 from 2018 but that there should instead be an evaluation process first. Secondly, there are a few unresolved issues in Basel in relation to the liquidity standards that need to be addressed to keep us up-to-date.

I am a little bit amazed by the nine EU Member States in the Basel Committee, as they have allowed the process to be deemed completed despite the fact that we fail to see how there is a level playing field between the economic structure of the United States and the European economic and banking structure, and between classical retail and investment banking. Furthermore, we still do not have a definition of liquidity.

The economic crisis, of course, demonstrated that we need a change of framework. It is therefore right to get to grips with this issue and to bring forward proposals. However, the crisis also clearly demonstrated that what we had was primarily a crisis of liquidity and not one primarily of capital resources, although we do need increased capital resources – one only needs to think of Lehman Brothers, where only 11% capital was held, to see that.

From our point of view, there are five unresolved issues. The first is that there is no study into the impact of the figures that have now been agreed for growth and employment in the European Union. I would ask that the Commission produce and submit such a study as a matter of some urgency. Secondly, we have not examined in detail the cumulative effects of all the regulations that we are currently considering. Key examples here would be Basel III, deposit protection, the bank levy and the transaction tax, amongst others. Thirdly, there is no level playing field between the EU and the United States, for example, when it comes to accounting regulations, and there is still no agreement with regard to the time frame for implementation. Fourthly, there is no level playing field between retail banks and investment banks in the definition of capital. Fifthly, there are unresolved issues such as those of the leverage ratio, the definition of liquidity and the role of rating agencies in the light of the decisions the United States has made.

These issues need to be resolved before the Commission brings forward a draft directive and they should not be concluded by the G20, but clarified, before being finalised by the Basel Committee. We will stay on the ball.

**Michel Barnier**, *Member of the Commission*. – (FR) Madam President, Mr Karas, ladies and gentlemen, just a few days after the agreement reached in the Basel Committee, I think that it is very important that Parliament is demonstrating its commitment to banking reform and clearly showing that Europe behaves and must behave in a way appropriate to its global standing. I would like to thank Mr Karas and the members of the Committee on Economic and Monetary Affairs for their commitment and for this excellent report.

Mr Karas, you raise a number of critical points which will be studied very carefully before the adoption of our proposal for revision of the Capital Requirements Directive next spring.

I first want to say that I share your view, Mr Karas, on the importance of problems which are specifically European – our banking economy in Europe does not resemble those of the other regions of the world in all areas – the necessity, Mr Karas, of an in-depth impact assessment and the need to maintain a level playing field at international level.

We must, of course, stress that increased capitalisation of the banks is a necessary precondition for making the financial sector more stable and strong, but it will not be enough. As you know, ladies and gentlemen, since you are working on it, we must also have stricter supervision, stronger corporate governance, supervision of speculative financial activities and a framework for crisis management and for resolving banking crises. That is our road map. Thanks to you in particular, much progress has already been made in this direction. I am thinking of the supervision agreement and the Green Paper on the governance of financial institutions.

The Commission, for its part, is doing its job, and it will do it in such a way that by the end of next spring, we will have submitted to you and to the Council all the texts that are expected of us for implementing the recommendations of the G20. It is in this spirit that, a few days ago, I presented the draft regulations on derivatives and on short selling. In a few days, we will put forward a new document on the bank resolution and crisis management tools.

Returning to today's debate, however, I would like to discuss three issues, with regard to which I share Mr Karas's concerns. The first is the recognition of capital instruments issued by cooperative banks, or mutuals, under the definition 'tier one capital'. The agreement reached in Basel will allow us to take account of the specific circumstances of these unlisted banks, which play an essential role in financing European businesses. My services are now working with experts from the Member States on defining the technical arrangements for properly implementing these new principles in European legislation.

Second, as regards the rules on liquidity and the definition of 'liquidity buffer', the Commission is fully aware of the problem raised in particular for Denmark and Austria. Indeed, the very serious concerns expressed by the Commission in this context are the very reason why an agreement has not yet been reached on this issue. We had some reservations, and my services will continue to work with our partners in Basel to find a solution, particularly as regards the recognition of covered bonds.

The third point concerns the leverage ratio. We cannot go back on our commitments made at the G20 on this point. We are, however, satisfied with the agreement reached in Basel, which makes the leverage ratio part of Pillar 2 during a reporting period, as Mr Karas said a moment ago, the aim being to transfer it under Pillar 1. This transfer will not be automatic, and we will integrate a revision clause on this subject into our draft proposal for CRD 4.

I would now like to say a few words on the implementation of the Basel Agreement in the European Union. This financial crisis has shaken the world. It has taught us some lessons, which we must take on board. The global prudential rules were not suited to real-life conditions. In addition to the reforms which have already been implemented in order to strengthen the existing rules, we now have the agreement recently drawn up in Basel by the group of governors of the central banks and those responsible for banking supervision.

In my view, this agreement is good news. It is an important step in strengthening the rules and global financial stability, and this new Basel Agreement will help to establish common rules for the banking sector internationally, which is extremely important. This agreement also paves the way for a balanced solution: businesses benefit from an adaptation period providing sufficient time to meet these new requirements, which will allow for the health of the banking system to be gradually improved without, we think, compromising economic growth.

Ladies and gentlemen, my services, my colleagues – whom I want to thank – have done a great deal of work in Basel to find common ground with our non-European partners. I hope that the Heads of State or Government of the G20 will approve this new Basel Agreement during the forthcoming Seoul Summit in November. However, we will not stop there.

The next step will be to reform the basis of the banking system at Union level. We always take the specific circumstances of our Union into account when implementing international rules, and, ladies and gentlemen, the CRD 4 Directive will be no exception; here, too, we will take the specific circumstances of the European Union into account. Furthermore, in this context, we will specifically carry out the macro-economic and micro-economic analysis which forms part of this Basel Agreement, and you and your colleagues will naturally be informed about it, Mr Karas.

Our aim is to adopt the proposal for a directive during the first quarter of 2011. This means that the Member States need to transpose it before 1 January 2013. That will give them enough time to conform to these new provisions.

We must nevertheless remain realistic. This agreement reached in Basel constitutes very significant progress, but I repeat: there is still much to be done. We will work together with you and with the Member States in the coming months to implement one of the essential reforms of the post-crisis period. I would like to be very clear on this point too: we will be very attentive and very vigilant when it comes to ensuring that our main global partners – above all, the Americans, but not only them – also implement this essential reform correctly and in due time. This is an issue which I shall raise during my second and very imminent visit to the United States, at the end of this month.

Finally, I agree with you, Mr Karas, that it is essential for the European Parliament to play an even greater role in this process. That is why, in conclusion, I pledge to keep you – your committee and the plenary session – regularly informed of all future developments within this Basel Committee.

**Jean-Paul Gauzès**, *on behalf of the PPE Group*. – (FR) Madam President, Commissioner, I would like to start by briefly praising Mr Karas' excellent work. I was one of the people who were in favour of an own-initiative report being produced before the Commission makes its proposals on the framework for transposing the Basel Agreement, and I am

delighted that the work done by Mr Karas with the help of the various shadow rapporteurs has highlighted the main points for consideration.

I will not repeat them here, Commissioner, and of course I welcome the points you make and your determination to ensure that this regulatory framework is effective and workable and above all that it creates no distortion of competition at international level.

To move on to a different subject, I cannot help noticing that there is often a big difference between the statements that are made publicly and the commitment to these in practice. I also note that countries outside the European Union, and I am thinking of the United States in particular, have an irritating tendency to make value judgments about how we operate, whilst they themselves are not putting the systems into practice as they ought.

As regards Basel, it is vital that European companies are dealt with on an equal footing and are not penalised more than US companies. In the United States, few banks are taking notice of these directives or of the Basel Committee and, at present, nothing is actually being put into practice. I would hate to see the provisions adopted in June to regulate US finance – the statements made about these exaggerate their real impact – being used as a legal basis for not applying the provisions which might be introduced by bodies outside the United States.

Commissioner, I trust in what I know to be your total determination and vigilance to ensure that this does not lead to a distortion of competition for the French banks, the European banks, and for those who finance the economy in general. It is right that we should be steering the banks back towards their primary role of financing economic development, but we must make sure that they are not penalised disproportionately.

**Udo Bullmann**, *on behalf of the S&D Group*. – (DE) Madam President, ladies and gentlemen, let me just point one thing out before I start. The Basel Committee is a group of more or less intelligent central bankers and overseers, but it is certainly no infallible council of wise men and it is definitely not the law. This House is the legislative body – Commissioner, you know that, and we know that you do – and this legislative body will pay close attention to what is put on the table and, where it makes sense, to what is put on the table here, too.

Clearly, we do want the rules on capital requirements to be tightened up. How could we not want that, in the wake of the economic crisis in which we still find ourselves? 20 to 30% of the gross national product of our national economies are in pawn as the rescue package for the banks. The people expect us, of course, to make respectable banking rules so that we do not find ourselves in a crisis like this one again. Clearly, we want there to be counter-cyclical elements in this banking safeguard like those, for example, that have already been proving their worth in Spain for years. Although there, too, they had to be implemented in the face of opposition, they are paying off today because they were implemented at an appropriately early point and they did not make the banking system worse; they made it more robust.

There are key issues, though, and I am truly grateful to the rapporteur, Mr Karas, for having put these key issues at the heart of his own-initiative report, which we find ourselves absolutely and totally able to support. The first of these is that, yes, indeed, we do need an impact study, specifically a complex impact study that makes it clear what the impact is, for one thing, on the financial sector in all its parts but also, of course, in particular, what the impact is on the real economy. What is the impact on the issue of what the future actually holds for loan financing conditions for small and medium-sized enterprises?

The second issue is that we need the certainty that this time, unlike in the past, the agreements will also be implemented in other territories. We need to know that before we legislate, as otherwise there will be a new asymmetry for which we cannot be responsible.

The third issue is that there can be no discrimination in terms of legal forms. Those forms among the diversity of the European banking system that particularly proved themselves during the financial crisis – and that means those banks that looked after the small and medium-sized business sector and those banks that were focusing on private customers and thus did not elicit cross-border risks – must not be penalised for the solidarity of their establishment. The proposal on the table at the moment does not do enough to ensure this. We therefore believe that the proposals need to now be improved and that we need to consider how we can tackle this issue in practical terms. Public banking overall is of major value, provided it can be run on a sensible basis. We do also need to ask – and I am thinking here about silent partnership reserves – how this will actually be effected in future, if we buy the regulations as they are envisaged in Basel. This cannot be the last word, nor is it the final version that we will accept.

The capital instruments need to be measured in order to see the extent to which they ensure consistent quality without false provisos, are available to absorb losses, are durable and flexible in terms of payment, as the rapporteur also argues in his report. It is a reasonable starting position for us to take. We want the leverage effects to be limited and reasonable allowance to be made for the different risk profiles. We will examine your proposal, therefore, Commissioner, and we hope for the best of cooperation with Parliament.

**Sharon Bowles**, *on behalf of the ALDE Group*. – Madam President, can I say to the Commissioner that when we voted on supervision, I said our legislation was like Swiss cheese, full of holes, places where the common rule book would not reach.

Then, last week, bankers from around the EU assembled for Eurofi, discussing Basel III. The word on everyone's lips was 'national': national flexibility, national rules, national rules, national exemptions; the beast of perverse incentive was rampant. As soon as a framework is agreed for harmonisation and stability, the wriggling and the wheedling to make holes starts, and frankly, it is no better here. I am fed up of it. Why does Europe have to be the cry-baby of Basel? This is not what we intended with the supervisory architecture. It is not what is intended by Basel III. The facts are clear. G20 was clear. Banks must be able to withstand the type of crisis that we have just had and capital is crucial to that.

I am not blind to the problems of the real economy and the need for banks to lend and, like others, I look forward to the macro-economic and cumulative impact assessments, not just of Basel, but of the whole post-crisis financial regulation that you, Commissioner, and Commissioner Rehn both promised me in your competency hearings.

To the banks, I say: we cannot give weight to your protestations while your aggregates are cloaked in secrecy and you stamp 'Confidential' on everything. So as far as I am concerned, the extended timetable of Basel is enough slippage: no more.

Now, Commissioner, liquidity measures – as others have said – are not fully resolved, and I do fear more perverse incentives around the growing concentration on sovereign debt and short-term instruments. We must be very careful here; we must think and not replicate the same measures in every piece of the prudential regulation where they may not be appropriate and would destroy investments in equities and the real economy.

**Philippe Lamberts**, *on behalf of the Verts/ALE Group*. – (FR) Madam President, Basel III is supposed to be a starting point and under no circumstances must it be the furthest that the European Union is willing to go. To those who say that if we go further than Basel, we might jeopardise the competitiveness of our banks on the international scene, I say that our primary concern is, and should be, the viability of our economy. And if that means more stringent rules, then so be it. I would also add that we hear so much about a level playing field, and yet the United States does not hesitate to go it alone whenever it can and when it suits it to do so. Therefore, I do not want to see Europe simply waiting for some kind of consensus that will never materialise.

Secondly, any transition period must necessarily be time-limited, and I can tell you that the eight years we are envisaging for ourselves is too long. What is more, and this is not something that has been factored in, during this transition period, strict conditions must be introduced regarding the payment of dividends and bonuses. We would find it indecent and unacceptable if, whilst the banks are claiming that it is difficult to build up the capital reserves imposed under the new rules, their shareholders and managers continue to help themselves from the kitty.

My final message is directly for the banks. To those banks that complain that they will no longer be able to make the same profits they made during the golden years, I say that all businesses working in industry or retail in the real economy are having to make do with net yearly profits of between two and five per cent – and that is nothing to be ashamed of. It is time to realise, therefore, that the party is over.

**Vicky Ford**, *on behalf of the ECR Group*. – Madam President, I am very aware that the economic crisis is far from over and that we do need lending in the wider economy. However, last week, we saw in Ireland that banks are still coming to the taxpayer for their bailouts.

We cannot continue to have the taxpayer bailing out banks. We need banks that are prepared to take risks, but they need the capital and liquidity to live within their means when those risks go wrong. This is a complicated piece of work, and one for which I would like to thank Mr Karas, but it is only part of the work, and we need the right resolution mechanisms too.

It is very clear from the number of amendments across the floor that MEPs want to look at the detail and at the impact. We must make sure a similar approach is taken to the collateral in the derivatives language. First of all, there is an impact assessment – it was done for Basel – but it is so cloaked in confidentiality that we cannot see it. Let us release it and use it.

When we make an international agreement, we need to make sure that it is implemented globally – not just here and in Wall Street, but globally. There are a number of places in this text where there is wriggle-room – paragraph 24, on minority interests and deferred taxes, paragraph 40 with its description of *Pfandbriefe*, and the new paragraph 43A.

Yes, Basel should look at networks of small banks supporting each other. They are doing that. However, my interpretation of the English is that we could, in some way, be seen to be pre-empting their conclusion.

Furthermore, it has been agreed that there will be a migration towards a full and binding leverage ratio. Let us not move away from that. I agree that, where we have good local practices, we should allow them to continue, but let us examine those in public and not

bring in exemptions through the back door. The market will just assume that back door to be a way of promoting bad practices, rather than promoting good practices.

**Astrid Lulling (PPE).** – (FR) Madam President, I would like to start by thanking our rapporteur, Mr Karas, for his excellent work, and I fully support him in his approach to this complex matter. However, I feel it is important to use my two minutes to emphasise an issue which was mentioned in the report but which deserves a closer look. I refer to the matter of mortgage bonds, or *Pfandbriefe* in German, in the context of liquidity standards.

The new European liquidity standards that we are working towards redefining should give greater recognition to their special economic, legal and operational nature. Mortgage bonds are used for long-term financing and investment in the wider economy. However, the Basel Committee's current proposal regarding these bonds would have a negative and disproportionate impact on Europe's economy compared with other major economic zones, such as the United States.

I certainly welcome the fact that the agreement reached by the Basel Committee on 26 July 2010 recognises mortgage bonds as highly liquid assets in the context of calculating the liquidity coverage ratio. However, I call upon the Basel Committee and on the Commission, Mr Barnier, to give greater recognition to this financial instrument, with a view to promoting sufficient diversification of the eligible liquidity buffer assets and avoiding any distortion in the markets. This low-risk financial instrument must be given an environment in which it can thrive.

**Anni Podimata (S&D).** – (EL) Madam President, we all know that today's debate on the agreement reached by the Basel Committee is yet another step dictated by the recent crisis, a crisis which dramatically highlighted the shortcomings and weaknesses in the regulation and supervision of the financial system, reversed what had, until then, been the prevailing doctrine of deregulation of the markets, and highlighted the need for stricter rules, both on capital adequacy and on the supervision of financial institutions.

Against this background, the Basel Committee has reached an agreement which includes certain basic principles and changes which need to be made to capital adequacy rules in order to improve the safeguards to the banking system. As far as the implementation of this agreement in Europe is concerned, Mr Karas's report highlights numerous important aspects which need to be taken into serious account, such as the peculiarity of the European market, on which 80% of lending is based on bank credits, the need to democratise the Basel process with more active participation by the European Parliament, among other things, and, of course, the proposal to include all euro area sovereign debt as high quality liquid assets, regardless of their credit rating, so as to reduce the impact of rating agencies.

However, I wish to repeat that the new capital adequacy measures are a minimum review and still need more general reform over a longer time frame. Europe, as the Commissioner said, has already taken an important step in adopting the new European system of supervision. We are changing tack and promoting enhanced coordination as a basic preventive tool. However, we must not stop there. We need to take further steps by introducing a supervisory and regulatory framework for agencies which have hitherto been operating without controls, such as credit rating agencies and alternative funds.

We need, at the heart of the proposals which you recently presented, Commissioner, to adopt rules to regulate transactions which are highly obscure and, as such, subject to increased systemic risk, such as the market in over-the-counter derivatives and naked



options. Finally, Commissioner, as you referred to the G20 summit in Seoul, we need to lead efforts to introduce a tax on financial transactions, not, of course, to take revenge on or punish the banks, but to limit speculation and send a strong message to the citizens of the EU who are currently paying the price of the crisis, that we expect a fairer distribution of the burden.

**Wolf Klinz (ALDE).** – (DE) Madam President, ladies and gentlemen, if banks have to hold more capital for loans and financial instruments, that increases their ability to bear losses. The most recent proposals from the Basel Committee take this stability-based approach as their basis. Unfortunately, the Basel Committee has not, as yet, satisfactorily addressed the problem of system-relevant banks. I therefore welcome Mr Karas's call for the requirements for the liquidity standards to be made independent of system-relevance. In other words, appropriately tougher requirements need to apply to banks that, due to their size or interconnectedness with the global financial system, need to be bailed out using taxpayers' money in crisis situations.

We should take a more differentiated approach to the factor of debt leverage. Only when it is empirically proven that this instrument does not lead to arbitrage and distortions of competition and actually counters the overheated granting of loans should we consider permanently incorporating it into the first pillar.

There is a need, in any case, for these proposals to be implemented at the global level. We cannot allow the US authorities to have a decisive influence on the Basel proposals only to not then implement them. The G20 summit in Seoul next month will show whether, and to what extent, we can achieve this objective.

**Śławomir Witold Nitras (PPE).** – (PL) Madam President, firstly, I would like to say I am very pleased that the European Parliament has taken up this matter, especially because this report arose at Parliament's initiative. I would like to congratulate Mr Karas very warmly.

In the last decade, we have seen unprecedented development in the different types of financial innovation and new instrument available. It is often these instruments, in fact, which determine the nature of the market today. I think that an essential condition for effective supervision is, in this situation, to be in possession of truly reliable knowledge about what is happening in these markets. Meanwhile, the financial instruments which have become so popular have reached a degree of complication which significantly hinders supervisors in making an appropriate evaluation of the risk associated with them.

Besides these new instruments, we have to be aware that the market is changing and is globalising very rapidly, and that in the confrontation between the globalised, evolving market and national supervisors, these instruments are completely inappropriate and the supervision unsuccessful. The growth of financial institutions is also causing, in a certain sense, a lack of monitoring where the supervision takes place, and the supervision, therefore, is also hampered.

By all this, I would like to say that there is a lack, in fact, of an overall view of the sector, both concerning the geographical aspect and concerning the sector's activity itself. Understanding the relations between the parties which are active in the sector, as well as the evolving nature of the activity itself, are, I think, crucial for the security of the financial system on a global scale. It seems to me that this has been lacking hitherto.

The current Basel regulations concern, in fact, capital, and I am glad that the new measures are implementing the requirements associated with aspects of liquidity, as well as

mechanisms of counter-cyclical policy. The measures proposed in this area should be welcomed. In the context of the low effectiveness of capital indicators as an advance diagnostic measure, stability of the system and the attempt at standardisation of liquidity coverage ratios should be assessed positively in both the short-term and long-term perspective, because it was, after all, liquidity problems which necessitated the measures to save the banks, to which we were witnesses.

**Olle Ludvigsson (S&D).** – (SV) Madam President, it is, in many respects, a positive sign that work on the new capital adequacy rules is progressing. The fact that the Basel III process is being brought to a successful conclusion is a prerequisite for being able to restore stability to the financial sector. The report that we are to vote on now is both balanced and well-worded, but I would nevertheless like to highlight three points on which it could have been clearer.

Firstly, it is important in itself not to place too much pressure on the banks by giving them far too short an implementation period, but at the same time, it is at least as important that the implementation does not go too slowly. The aim should be for the banks to have sufficient stability to be able to cope with the next recession. With the target as far away as 2017/2018, there is a risk that many banks will not manage this.

Secondly, we must ensure that the implementation is carried out with close and positive cooperation with the United States and other players. The clear aim must be for the whole of the international banking sector to be stabilised, not just parts of it. Areas with weaker regulations or a slower rate of implementation could expose the whole of the global system to risks.

Thirdly, regular stress tests are an excellent way to continually ensure that the banking system is stable. This is therefore something that we should use as an effective tool to complement the capital rules. Both the frequency and the requirement level of these tests could well be increased. The crisis has demonstrated that some things can happen extremely quickly. In the financial sector, it is therefore important for developments to be monitored very closely at all times.

**Olle Schmidt (ALDE).** – (SV) Madam President, Commissioner, the new Basel rules will establish the prerequisites for stability and sustainable growth. The crisis has taught us that the banks need to have more and better capital, and the regulations must promote sound banking and sound risk-taking. The rules concerning the leverage ratio must be formulated in such a way that banks that lend low-risk capital are not penalised. There is a risk that the rules will affect banks in the Nordic countries particularly badly, as these banks have large low-risk home loan portfolios. This gives cause for concern.

All directives and new rules must be well thought-out, but, overall, we risk having too many rules, which, in turn, could damage growth. I agree with Mrs Bowles that the Commission must produce an analysis of the effects of all these new banking rules on growth in Europe. Rules and new laws are not always the answer. Let us not settle for good if we can achieve the best.

**Antonio Cancian (PPE).** – (IT) Madam President, Commissioner, I would like to thank Mr Karas for his excellent work. I believe that we have stood by and watched this severe global economic and financial meltdown impotently over the past two years, even though some claim that things could have been even worse.

Today, the European Union is at the sharp end, and you, Commissioner, are conducting a revolution, aimed at stability, to provide us with the guarantees we need. During the last plenary session, we gave economic power a positive shake-up to safeguard Europe itself. As you stated not long ago, proposals have already been prepared on derivative products and short selling, and we are also discussing taxation on banks and the levy on financial transactions while awaiting the Commission's final proposed revision.

Commissioner, we need to take great care that, as often happens, we do not go from one extreme to the other, with rules and laws that could hinder or slow down economic development and recovery. I believe that rigidity and bureaucracy are always lying in wait. It is true that at the moment, we need stability, but it is even more true that we very much need growth, growth and more growth – as President Barroso stated in this Chamber.

Basel III marks the start of a process that requires all of us to be responsible, but we must also safeguard competitiveness and equal conditions and pay attention to SMEs, on the one hand, and savings and cooperative banks, on the other, which are close to the grass roots.

**Seán Kelly (PPE).** – Madam President, I think everybody agrees that we need to strengthen the resilience of the banking system. Thanks to Mr Karas, we are aware that under the Basel proposals, we do not have a level playing field, and if you do not have a level playing field, you cannot compete. In fact, there is a great danger that you will score many own goals.

The point has been made, but needs to be made precise, that the US and Europe are totally different. The US economy is mainly financed through the capital markets. Europe relies mainly on the lending capacity of the banking sector and we know that more than anywhere in Ireland. Our banks simply cannot give credit to SMEs, and otherwise viable SMEs are going to the wall every day simply because they are starved of credit. And, as Vicky pointed out, the taxpayer is bailing out these bankers and also funding the redundancy packages and the pension funds and the golden handshakes of dormant regulators, etc.

So there is a lot of work to be done to get the balance right and I think that is the key here. I am encouraged by the Commissioner's response, and he did say he would work with us and would try and get the balance right and establish a level playing field. Then we would be scoring goals and not conceding own goals.

**Michel Barnier, Member of the Commission.** – (FR) Thank you, Madam President, and thank you to everyone for your proposals, your encouragement, your suggestions and your requests, which I and my team have noted carefully.

Mr Gauzès was the first to mention the issue of striking the right balance, and this was reiterated by Mr Schmidt, Mr Klinz, Mr Ludvigsson, and just now Mr Kelly. Yes, we will be aiming to ensure that we strike the right balance; in fact, the balance needs to be struck in three particular areas to which I will be paying very close attention:

Striking an intelligent balance in the Basel measures themselves and the way in which we transpose them into our legislation. I will be making the best possible use of the transition periods and of the room for manoeuvre that the Basel Agreement gives us, plus you will be making your own contribution.

The second area in which a balance must be struck is between the Basel measures and all the other measures that we are introducing in the context of the G20 crisis prevention and management agenda, and I will come back to these in a moment.

The third area, which Mr Kelly has just mentioned, concerns the United States. Mr Kelly, I realise that Europe's banking sector is much more involved in financing the economy than is the case in the United States, and we will be taking this difference into account. This is the transatlantic balance. We need to see to this – I am addressing Mr Lamberts in particular – without waiting for the United States. I will be going back to the United States to see Tim Geithner and the other supervisors and I am not going there to drag my heels, but to make sure that we are all moving in the same direction on Basel II, Basel II and a half, Basel III, Basel IV – I beg your pardon, Basel III and CRD 4 – and on another extremely sensitive subject, which could become a point of divergence between the Americans and Europeans, and that is the matter of accounting standards. We are not naive, therefore, in our relationship with the United States, but nor do we want to pre-judge its intentions.

I can therefore reassure Mr Gauzès and all the other honourable Members that we will be paying close attention to this three-way balance. Mr Cancian has also quite rightly mentioned financial instability, which is indeed the worst enemy of growth. This is why we need to establish conditions that will promote greater financial stability and, in view of the debate we are having with China at the moment, I would add monetary stability also.

I have taken careful note of Mr Bullmann's comments urging us to conduct thorough micro-economic and macro-economic studies. We will also make productive use of the transition periods, which are not indefinite, and you are quite right, Mr Bullmann, in saying that it is here and in the Council that Europe's laws are made, not elsewhere, not in Basel. This is where the European legislator is and this is precisely why we are going to produce a proposal for CRD 4, which will be a legislative proposal on which we will be seeking your approval, even before the debate and motion stages.

Mrs Bowles, you are absolutely right in questioning us and in saying that it cannot be business as usual. I also hear certain bankers here and there, who have short memories, telling us that the economic crisis is over and that we can return to business as usual. We cannot allow ourselves to have short memories, and it will not be business as usual. We are perfectly serious about making reforms.

I would also add, Madam President, that the improved capitalisation we are talking about in Basel and CRD 4 is not the only tool, or the only solution. There are many other solutions to crisis management, which I mentioned earlier on in my first speech: there is everything that we are doing to regulate hedge funds of course, which I hope we will be completing in the next few days; then there is our action on private equities, derivatives and short selling. There are other tools which are also important. A few moments ago, Mr Ludvigsson spoke about stress tests. These need to be carried out regularly. So this is our approach at the moment.

Mr Lamberts, I will just mention another important point that you brought up: the payment of dividends by banks that do not put the minimum capitalisation requirements into practice. This problem has been clearly accounted for through one of the so-called buffers, in this case, the capital conservation buffer, which stipulates that a bank cannot pay out dividends if it has not fulfilled the minimum capitalisation requirements. This is one of the provisions which we will, of course, be incorporating in our legislative proposal.

Mrs Ford, we do indeed need to protect taxpayers. I am sure you will be watching closely for the proposals we will be making in a few days' time on crisis management and

prevention, and on the creation of a resolution fund in every Member State, we hope, which will ensure that the banks pay for the banks, not the taxpayers.

Mrs Lulling asked a very specific question. Yes, in the Basel talks, my colleagues and I were very attentive to this point and we obtained an agreement that 40% of the liquidity buffer may be made up by the *Pfandbriefe*, or mortgage bonds, that you asked about. I feel this is a positive result, and we are totally in favour of diversification of liquid assets.

Mr Klinz raised the issue of 'too big to fail'. Here again, when this concern was raised in the United States, I replied that it was impossible to make comparisons, because the US and European banking systems are not the same, either in terms of their contribution to the economy or in their structure. However, Mr Klinz, it is an issue that is not yet settled at international level, both in the context of the G20 and that of the Financial Stability Board. We are watching the situation closely, to make sure that taxpayers are not and cannot be called upon.

Mr Nitras, as regards complex financial instruments, we need stronger supervision. That is why the new European authority, the ESMA, will be playing a key role, thanks largely to this Parliament, in looking into the possibility of banning certain toxic products, and you will see that we will be further reinforcing ESMA's role in the near future.

Lastly, I would like to let Mrs Podimata know that regarding the rating agencies, here again, there will be a third round of actions. What we have done so far with yourselves is not enough, and I am currently working on this third round of actions to regulate rating agencies and diversify the rating agency market, which, to put it mildly, is concentrated in too few hands. We questioned the ministers at ECOFIN last Friday, and your committee Chair, Mrs Bowles, was present. I am going to prepare a consultation aimed at strengthening this regulation.

Mr Schmidt also raised the issue of a cumulative effect; however, I have answered this question in my point about the three-way balance, which is something we are going to be watching very closely.

**Othmar Karas, rapporteur.** – (DE) Madam President, ladies and gentlemen, The debate was lucid, clear, competent and responsible. We put out a very good image of ourselves as both cohesive and determined. Commissioner, I would also like to thank everyone who participated, you included. We are not putting the process in doubt, but it is not concluded. We have also brought up a painful subject. The sore point in question consists, above all, of the differences in banking and economic structures between Europe and the United States. We need to say one thing clearly at this point, and that is that, while the legislative process has not started yet, the Basel process does prejudice and limit our freedom to manoeuvre in political decision making. What would have happened if we had not produced an own-initiative report off our own bats? There would not have been a debate today. We therefore need to bring democracy and parliamentarianism into the Basel process, the G20 process, the new global institutions that are being created, and, at the same time, we need to be involved in the process so as not to always be presented with *faits accomplis*.

Basel III and deposit protection need to be connected, as there is a connection between the two. We need a link between our decision making and global implementation, particularly in the United States. We need the definition of liquidity before we get the draft directive. Meanwhile, the Dodd-Frank Act in the United States presents us with another problem. Because the Americans are going to have problems implementing the liquidity standard,

they are now attempting, once again, to introduce additional criteria alongside the external ratings. Our maxim must be that either external ratings or alternative criteria such as price stability should act as the basis of evaluation. Yet we absolutely should not have both for Europe and only one for the United States.

We need to be vigilant and let us also together ensure, Commissioner, that the national finance and economic ministers pass on to their national parliaments what the Commission is now reporting in its impact study. There is less awareness in the national parliaments about what we are doing here and what the impact and causes are in the Member States than there is in this House. We also need to begin an offensive here. Let us involve the national parliaments in this communication process.

**President.** – The debate is closed.

The vote will take place tomorrow.

#### **Written statements (Rule 149)**

**Sergio Berlato (PPE), in writing.** – (IT) I believe that the recent economic and financial crisis, or the biggest recession since the days of the great depression, has highlighted the need for a radical review of the current Basel II regulatory framework. I would like to remind you here in Parliament that the Basel II agreement defines the criteria for accessibility to credit by forcing banks to objectively assess the credit status of a company, taking account of risks connected with its possible state of insolvency, of guarantees, and of exposure in the event of bankruptcy. Although the aim of these criteria is to improve the competitiveness of companies and strengthen the financial system, they are excessively punitive to the small and medium-sized enterprises that drive the Union's economy. In concrete terms, because European enterprises are not on such a firm financial footing, application of the agreement often means less access to credit and higher interest rates. Although I find the efforts of the Basel Committee to update the general regulatory framework to be encouraging, I am extremely concerned about the shortcomings that emerged during the course of the negotiating process. For this reason, I agree that it is advisable for Parliament to be more involved in the negotiations with the aim of making the changes needed to ensure that European industry and the European economy are not at a disadvantage.

**Giovanni Collino (PPE), in writing.** – (IT) A new stability pact for Europe is bound to involve the banking system, which represents the other end of the process in which the own resources that are the beating heart of the European economy are used. In other words, the debt that the Member States of the European Union accumulate over time to produce national wealth and distribute it to their citizens is funded and managed by the banks, which should be able to make it produce profit.

While it is true that the Member States will still need a great deal of time to adjust to the standardisation of their financial laws and also to achieve an appropriate level of uniformity within their tax systems, establish decent margins of liquidity, and request reliable leverage effects to guarantee savings and their long-term trends, we must ensure that we can manage to find the right response to the crisis even in the short term.

The own funds that the European Union will have increasing access to will ensure that the aim of EU resources management will be increasingly less to shore up systemic risks and increasingly more to create a set of stimuli to benefit national economies, not only jealously guarded within national borders, but integrated to optimise the use of the respective comparative advantages.

**Diogo Feio (PPE)**, *in writing*. – (PT) Financial institutions that are strong and stable are crucial to the sustainability of the capital market, to access to credit, to competitiveness, and to economic and financial stability. I therefore welcome the adoption of this report, particularly because it includes crucial measures that I tabled dealing with the situation of national financial institutions. I am referring, in particular, to: the need for the Basel Committee and the Commission to clarify the treatment of reciprocal financial cross-holding agreements; the importance of defining the criteria for high quality liquid assets taking into account the definition of European Central Bank eligible assets for monetary policy operations (repo facility); and the inclusion of all euro area sovereign debt as high quality liquid assets, regardless of its specific rating, thus reducing the disproportional impact of rating agency actions.

**Jiří Havel (S&D)**, *in writing*. – (CS) The submitted report is drafted in relatively precise terms. It analyses clearly the issue of the new proposed banking regulation that is under review (Basel II), and gives a detailed analysis of its main points, which, at present, are being discussed at the practical and academic levels. In concrete terms, it involves introducing measures which should contribute to the greater financial stability of the banking sector, and to reducing the probability of another crisis, focusing on the following five areas: the quality of capital (increasing the quality of bank capital is undoubtedly desirable), stricter liquidity standards (the liquidity risk was shown to be significant during the crisis), countercyclical measures (the creation of additional banking capital in good times should limit excessive credit growth and consequent creation of price bubbles, such as, for example, in Spain), the introduction of a leverage ratio (this new indicator should contribute to the greater stability of banks, but it should include not only financial items contained in the bank's balance sheet, but also off-balance sheet items, such as derivatives and the contingent liabilities of the bank) and, last but not least, the creation of a central counterparty for the settlement of OTC transactions, particularly in relation to greater transparency in derivatives. Based on the above, I believe that the submitted report contains a detailed analysis as well as relevant recommendations in the area of the proposed bank regulation, and I therefore recommend that the proposed text be approved.

**Petru Constantin Luhan (PPE)**, *in writing*. – (RO) I believe that having dynamic, clearly defined financial markets, capable of financing huge investments, is an absolute prerequisite for the European economy's recovery. I strongly support the commitment made during the G20 meeting to generate a greater volume of capital and draw up liquidity management standards. These good quality liquidity standards are a key element in the response to the crisis.

I also think that a greater degree of flexibility from the eligible assets available in the European Union, which can be achieved by identifying secure financing sources and their specific features, will create financial stability when faced with crisis situations, both in the short and long term.

**Czesław Adam Siekierski (PPE)**, *in writing*. – (PL) The financial and economic crisis of recent years has dispelled illusions that the banks know their own risk best and are able to determine security requirements on their own. The profound ignorance of some of the people in charge of banks, the paramount importance given to sales plans and the ignoring of risk factors, accompanied by the passivity of the system of financial supervision, are the fundamental sins of the banking sector which were the direct catalyst of the world recession.

Basel II has not proved very effective as a crisis prevention mechanism. In these circumstances, it is essential, as quickly as possible, to create a new code of standards – Basel III – which will no longer include the optimistic assumption of the ability of banks to regulate themselves.

Raising capital requirements will certainly contribute to an increase in the security of the banking sector by a growth in liquidity. However, such measures also carry the risk of transferring costs to the clients of banks – a growth in credit prices and other financial services – to the detriment of the economy. It is necessary, therefore, to guarantee suitable protective frameworks which would prevent us from being affected by this unwelcome effect, or at least keep it to a minimum. On the other hand, however, we must be aware that financial security also costs. The question is, how much are we willing to pay for it?

**Angelika Werthmann (NI), in writing.** – (DE) The crisis has clearly shown that even bank capital has been insufficient regarding solvability and solvency. The existing regulatory framework therefore requires an in-depth revision and thus, the efforts of the Basel Committee to upgrade the framework in general are to be welcomed, in particular, with uniform, clear and transparent regulations. However, there are some shortcomings here and, in its current form, the framework would put the European economy at a competitive disadvantage. European companies rely on credit from the banks. Eighty per cent of investment and lending in Europe is based on bank credits. In this regard, it is particularly important to secure financing for SMEs. Differences must be taken into account without penalising certain business models. Otherwise, there is a risk of harming the European economy.

## **16. Commission fines in antitrust cases (debate)**

**President.** – The next item is the Commission statement on Commission fines in antitrust cases.

**Michel Barnier, Member of the Commission.** – (FR) Madam President, it is, as ever, a great pleasure to be here with you day and night, and I speak on behalf of my colleague and friend, Mr Almunia, who has been held up as we speak at the working dinner between China and the European Union. Your House has asked the Commission to voice its policy on fines in the fight against anti-competitive practices. On its behalf, therefore, I am delighted to make this presentation.

As you know, the Commission is duty bound to fight anti-competitive practices and to penalise them when they are detrimental to companies and consumers in the internal market.

The primary tool that we have at our disposal is our power to impose fines on companies involved in these cartels, which adopt restrictive business practices or abuse their dominant position. These fines are fixed in accordance with our guidelines on the method of setting fines. The version currently in force was adopted just four years ago.

We also offer reduced fines for companies willing to cooperate in our investigations, for example, when they draw our attention to the existence of a cartel, and also for companies agreeing to reach a settlement with the Commission. This saves a great deal of time and resources for all parties. In any event, companies cannot be forced to shell out more than 10% of their total annual turnover, which is the ceiling for the level of fines that can be imposed.



Fines, therefore, honourable Members, are our primary tool. However, the introduction of sanctions for individuals should not be ruled out in the future, in particular, administrative sanctions. A number of Member States actually authorise such sanctions. We want to look closely at the legal and political implications of this kind of development.

Is there a need for a formal legal framework? Article 23 of Council Regulation (EC) No 1/2003 provides the legal basis for fines imposed by the Commission but not the guidelines on the method of setting fines. Article 23 sets out the basic principles, including the turnover ceiling, which I have just mentioned, whereas the guidelines give details of how they are applied.

It is relatively standard practice in many European legal systems to have a wide range of possible sanctions laid down by law as well as administrative guidelines on the method of setting the definitive penalty. This is true of Germany, the United Kingdom and the Netherlands when it comes to the application of competition rules. Based on this situation, we see no reason to propose new legislation on the fines imposed by the European Union in competition cases.

The second question is whether the guidelines need to be revised before looking at the level of fines imposed. I would like to give you an idea of what cartels cost the European economy. According to our estimates, the damage caused by the 18 cartels dismantled between 2005 and 2007 ran to almost EUR 8 billion. Studies have also shown that cartels led to a 10 to 30% increase in prices, a tempting prospect which would be hard to resist were it not for vigorous implementation of competition legislation, which is our job.

Our fines are set at a level that fairly punishes past unlawful behaviour. They are high but they reflect the damage caused and the unlawful gains achieved by members of the cartel. Our fines must also effectively deter companies from engaging in such anti-competitive practices in the future. That is why, I repeat, we see no reason to amend the 2006 guidelines on the method of setting fines.

The third and final question is whether fines should be reduced during the crisis. Rest assured that we look very closely at the financial situation of companies which, in some cases, claim their inability to pay and that we have significantly reduced our fines for a number of them. For example, during recent decisions on sanitary ware for bathrooms, or high-tensile steel, we have applied reductions ranging from 25 to 75%.

It is not in our interest, honourable Members, to exclude companies from the market. In fact, it is quite the opposite. Competition rules are often applied so as to enable new companies to break into the market and go about their normal business on a level playing field.

**Klaus-Heiner Lehne**, *on behalf of the PPE Group*. – (DE) Madam President, Commissioner, first of all, I would like to thank the Commission for the flexibility it has just shown. Commissioner Barnier made reference to the fact that, in certain industries, in the construction industry, given the fact that there has been a substantial economic slump in the sector, there has been considerable movement when laying down penalties and granting – you cannot say ‘allowances’ – deferred payment options. I believe that to be a reasonable reaction on the Commission’s part, given the special economic situation in which many companies find themselves. Irrespective of this welcome flexibility on the Commission’s part, however, there is nonetheless clearly a need to ask the fundamental question of

whether the system of determining penalties that we are currently looking at still, in any way, corresponds to the principles of the rule of law.

Dare I say, there may be some doubt about this. The reason is that, in laying down such a broad determination framework without specific criteria being laid down in the legislative instrument itself, Council Regulation (EC) No 1/2003 clearly does give the Commission such a free hand that you could almost suspect that the decisions behind it are not necessarily based on law making, but could instead very much involve certain elements of randomness. Unfortunately, the European General Court has so far gone along with this practice and this method of determination and has not been critical of it.

I could imagine, however – and we do face a changed situation, as we will now very soon accede to the European Convention on Human Rights and the Treaty of Lisbon has now made the Charter of Fundamental Rights binding – that, potentially, the case-law could change in light of this. I therefore think that consideration really should be given to this and I welcome the fact that the Commission is thinking about amending the provisions of Council Regulation (EC) No 1/2003 in this area with regard to criteria and other types of sanctions, making the provisions more specific and laying down tougher criteria including in relation to the penalty measures to be laid down. Personally, I believe this to be necessary in order to counter the deficits in the rule of law that many experts see in Europe.

**Antolín Sánchez Presedo**, *on behalf of the S&D Group*. – (ES) Madam President, Commissioner, the subject of fines is a very important one. It is about responding to anti-competitive conduct, and that response must be effective and firm. A weak, inadequate response will be an incentive and stimulus for infringements. Therefore, fines must deter those who infringe the rules but also act as a general deterrent for all operators. It must be clear that illegal competition is not going to provide any advantages or benefits for those who do it.

It is true that the Commission has a broad margin of discretion in the application of fines. However, discretion does not mean acting arbitrarily, because there are rules, limits and criteria, there is a procedure with guarantees and, in any case, there is judicial control.

The treaty, Regulation (EC) No 1/2003, the 2006 guidelines and the Communication on the leniency programme – also from 2006 – all constitute a framework that is working reasonably well.

The system could, however, be improved. Experience of applying the system, recommendations from experts and the concerns legitimately expressed by institutions and some operators advise us to tackle certain issues. Transparency and predictability could be improved and its impact on small and medium-sized businesses, employment and the sustainability of businesses could also be discussed. Flexibility regarding the amount and payments should also be considered, along with the connection with leniency programmes, and even how to overcome the differences between the systems in the various Member States.

Moreover, the system would be complete if other relevant tools were added: for example, stressing individual liability, considering other types of remedy – not only in order to put an end to anti-competitive conduct, but also to prevent it from re-occurring – and launching private actions for compensation for both individuals and groups.

All these issues must be tackled rigorously, systematically and positively, without raising doubts about the way that competition policy works.

**Sophia in 't Veld**, *on behalf of the ALDE Group*. – Madam President, I agree with much of what has been said by the previous speakers. I welcome the Commissioner's statement because, if I listen carefully, the Commission is actually open to the Parliament's request, which was included in last year's report on competition policy, for a more sophisticated toolkit with regard to antitrust policies.

The focus has been very much on fines and the size of the fines, but we should be careful that this does not turn into an ideological debate. This is very much about having a toolkit which is an effective deterrent to anti-competitive practices. As you rightly pointed out, the damage to our economy and also to consumers is considerable. I think that fines should be reasonable but, if companies are complaining about fines, then the one thing they should not do is engage in cartels. That is the best guarantee that they will not face excessive fines.

Last year, we asked for proposals by the Commission for more sophisticated instruments. We asked you to come forward with proposals that would cover issues like individual responsibility (which you mentioned), transparency and accountability of firms, shorter procedures, the right to defence and due process, and mechanisms to ensure the effective operation of leniency applications, but also corporate compliance programmes and the development of European standards. I would like to know if the Commission intends to come forward with such proposals. We realise that this is very complicated, as we are looking at national competences and EU competences. But I think we share the common objective of making the market function properly.

**Jean-Paul Gauzès (PPE)**. – (FR) Madam President, Commissioner, I recall a few years ago asking the then Competition Commissioner whether she was aware of any evaluation being carried out on the effectiveness for consumers of fines set, and on this matter, the then Commissioner indicated at the beginning of our committee meeting that she had managed to claw back so many million euro in fines. And so the answer was that it had not been considered. It would appear that since then, you have carried out studies to find out what damages were actually incurred.

However, I would like to draw your attention to two matters. The first being that prices are fixed on the basis of a group's turnover. However, the company that may have violated competition rules, and I am not condoning it, may be a relatively small company within the group. That is what bothers me, especially when there are separate legal entities involved.

Secondly, Commissioner, and it is you who said so and not your colleague, you often talk about the need for prevention, saying that prevention is better than repression and, in any case, more effective. So the question I ask is whether these huge fines, which always make the front page of the newspapers in which they are delivered, really have any role in terms of prevention. And I wonder whether it might not be more effective in terms of prevention to focus more on the number of checks rather than on the level of fines.

As has recently been the case in France, sentences can clearly be passed for sums of money requiring 4 or 5 000 years to be paid off. I think that we should not become fixated on these figures. We need to look specifically at the repercussions for the company, at a time of uncertain economic circumstances.

Skewing the rules of competition is not right. It is quite right that a penalty is applied but this penalty needs to be truly proportional, which is why we wanted to know whether or not the Commission would amend its rules. I think you said that this would not be the case, which is a shame.

**Peter Skinner (S&D).** – Madam President, I do not know about companies having 400 years to pay off fines, but that does sound rather draconian. Nonetheless, Commissioner, I realise that you are not necessarily in a position tonight to make policy on the hoof either. To that effect, I will be submitting some questions to Commissioner Almunia on the issues that we are talking about tonight.

I would like to make two brief points. Firstly, I would request that the Commission deliver on the impact assessments for the 2006 guidelines. I understand Mr Almunia's staff have already indicated that this can be done. I am looking forward to seeing them. Perhaps I just need to be up-to-date on that, but I would be reassured if that was the case.

Secondly, we have heard tonight that all the focus is on fines – and fines that are imposed on companies which violate the terms of competition. There may be a graduation of fines, but these do not seem to deter them. They still do it.

We may have to be inventive about what we do. In the case of price fixing, for example, quite often, small enterprises further downstream may be affected by the consequences of companies having done this and, through no fault of their own, fall foul of these particular fines.

What if the Commission was to think about the social impact for a minute? What if the Commission was to think about adopting different approaches? In the UK, for example, the arrangements allow for the disqualification of directors, instead of imposing the fines, which actually deals with the culprits involved and allows the workforce and the companies to survive – an intelligent philosophy perhaps, and one we might borrow from as a model of what we could do, or even just as a pilot.

There are other examples – as we have heard from around the floor, from other countries – where I am sure we could do the same. If we apply some intelligence to this, we can do a lot to secure that workforces for the companies out there are not equally affected by the bad practices of the directors who adopt this cartel philosophy.

**Catherine Stihler (S&D).** – Madam President, I will be brief. I want to welcome what colleagues have said this evening. The power that we have in terms of fines in antitrust cases is a real power to break cartels, to prevent anti-competitive practices, and to put the consumer first.

There are three questions I want to ask the Commission, like Mr Gauzès and others. Firstly, what can we do better in terms of prevention? Secondly, are we looking – as Mr Skinner said – at best practice in the different Member States? Mr Skinner's suggestion concerning board complicity, and what we can do about directors, is essential. Thirdly, can we have a timescale for the prospective proposals?

**Seán Kelly (PPE).** – Madam President, Articles 81, 101 and 102 all deal with these issues, under cartels, price fixing, predatory pricing, etc. Certainly it is something that we should be concerned about, but often, it is difficult to prove that they actually exist. For instance, I have here a headline which says 'Antitrust: car prices fell only slightly in 2009', whereas prices for repairs and maintenance continue to rise despite the crisis, despite a reduction in wages and despite deflation, rather than inflation. Is that a cartel?

In my own country, if there is a shower of rain, the price of cattle drops automatically. I think there is certainly a need to look at the guidelines, both in terms of establishing trends over a long period of time and also in the actual punishments you are going to apply. I

think Mr Skinner made a very interesting suggestion when he said 'make the directors pay'. I would say that we should also have a fine: do both. There is a certainly a lot of work to be done, but we are going the right way.

**Michel Barnier**, *Member of the Commission*. – (FR) Madam President, I have now heard all the arguments and requests and I will report them carefully to my colleague, Mr Almunia, who has told you, through me, that he sees no reason now to propose brand new legislation on fines, since the current Regulation (EC) No 1/2003, which I have already mentioned, may be of great use to us in the foreseeable future.

As for the guidelines, the Commission constantly monitors their application and it is open to any suggestions for improvement and, from this point of view, what has been said by some would be extremely helpful.

Mr Lehne, Mr Gauzès, Mr Skinner, we have nothing against a certain degree of flexibility in our practices controlling the application of regulations, within the limits set by the guidelines of case-law, in order to take into account an economic situation that is still challenging. However, for the time being, I repeat, Mr Almunia sees no need to revise the 2006 guidelines. He is satisfied with the way that these guidelines are working. They have proved adequately flexible during the current crisis, enabling us to take into account the difficult financial situation faced by some companies, as mentioned by some of you.

The Commission is bound by these guidelines on the method of setting fines. This means that they provide companies with legal certainty as the Commission cannot depart from them without good grounds. If the Commission does depart from the guidelines, it runs the risk of having the courts annul its decisions.

Mrs in 't Veld, regarding different sanctions other than fines, we should assess to what extent it would be possible, if necessary, to integrate them into our current legal framework. Although alternative sanctions are in place in Member States, they only seem to be used in a minority of cases and fines remain the primary form of sanction.

This debate should be steered by two principles. Firstly, individual sanctions must not call into question our current system for controlling infringements, in particular, the leniency programme. Secondly, the fact that directors or employees of a company have been individually penalised, which is therefore possible, does not in any way diminish the company's responsibility where it has broken the rules of competition.

Lastly, the Commission believes that the current level of fines and uniform application of the European Union's competition law are a good deterrent against anti-competitive behaviour within the internal market.

One point, Mr Lehne. We have an administrative system for ensuring the proper implementation of competition rules. What is more, this system has many advantages. We also have the case-law of the Court which supports this system.

Mr Sánchez Presedo mentioned transparency, and this does not surprise me considering the other debates with him regarding supervision. There are possible improvements. We have flexible guidelines, as I have just mentioned, and, in particular, this year has seen the introduction of best practices.

Lastly, Mrs in 't Veld and Mrs Stihler brought up the issue of more sophisticated programmes and more sophisticated instruments. We can raise this issue through the compliance programmes. They are very welcome. I am well aware, in our view, that companies take

these compliance programmes seriously and that can help prevention which, in fact, Mr Gauzès, is still cheaper than compensation or punishment.

Finally, Mr Skinner and Mr Kelly talked about the companies that sometimes suffer as a result of these punishments and the social problems that that can cause. It is with keen interest that we follow developments in Member States, in particular, in small and medium-sized enterprises. That is why we are keen to propose, as indicated in our White Paper, that we will act on damages actions to check how effective they are and to assess their impact. For this reason, the Commission will soon be launching a public consultation on this matter.

**President.** – The debate is closed.

### **Written statements (Rule 149)**

**George Sabin Cutaş (S&D), in writing.** – (RO) The European Commission is imposing increasingly more frequent and higher fines on the cartels and companies which abuse their position on the market. The amount of fines imposed by the Commission passed the EUR 2 billion mark in 2009. I welcome the swift response from the European executive. At the same time, we must ask ourselves whether the current system of sanctions is sufficiently comprehensive. The Commission plays the dual role of prosecutor and judge. Furthermore, the adverse effects of the fines imposed also entail employees at the companies which have been penalised losing their jobs. This means that people who have not broken the law become collateral victims. Consequently, I believe that a set of more sophisticated measures needs to be drawn up for antitrust cases, aimed at both promoting more transparent procedures, through appointing an independent judiciary, and introducing the option to punish on an individual basis directors responsible for companies' illegal behaviour.

### **17. One-minute speeches on matters of political importance**

**President.** – The next item is the one-minute speeches on matters of political importance.

**Artur Zasada (PPE).** – (PL) Madam President, I would like to refer to the problems encountered at European airports by mothers with young children and by the elderly. On the grounds of Regulation (EC) No 1107/2006, these two groups should be provided with assistance by the airport. Unfortunately, in most cases, the provisions of the regulation are not being respected. Even in a television commercial, which was made with great flourish this year on the orders of the European Commission, there is not a word about mothers or fathers travelling on their own with young children.

The solution to the problem is simple – effective action should be taken to inform the citizens of their rights. Firstly, the title of the regulation should be changed, by adding information to show that it also concerns mothers or fathers who travel on their own with young children. Secondly, a new pictogram should be proposed for this group of travellers, which would be obligatory at all airports in Member States of the European Union.

**Teresa Jiménez-Becerril Barrio (PPE).** – (ES) Madam President, as a member of the Committee on Human Rights, as a Spanish and European citizen, and as a victim of terrorism since the terrorist organisation ETA murdered my brother and his wife in Seville, I am speaking here today to condemn the fact that the Venezuelan Government and its President has allowed ETA terrorists to train on Venezuelan soil on the orders of the alleged

terrorist, Arturo Cubillas, who works for Hugo Chávez's government despite the fact that there is an international warrant out for his arrest; this is a serious violation of the fundamental right to all European citizens' right to security.

I demand firm action from the Spanish Government in response to this serious humiliation of all the Spanish people. Mr Zapatero cannot continue to keep quiet while the Venezuelan Ambassador describes the members of our Civil Guard, who have been, and will continue to be, models of bravery in the fight against ETA, as torturers. Nor can he look the other way as cooperation on Venezuelan soil between ETA and the Revolutionary Armed Forces of Colombia grows, which has already been condemned by the Judge Eloy Velasco. Mr Zapatero cannot shake the hand of a leader such as Mr Chávez, who is turning Venezuela into a haven for terrorists.

The Prime Minister of a country such as Spain, where terrorism has caused so much pain, cannot continue to ignore this problem and should give the response that such a situation deserves, which is what any ordinary citizen would do if they had the opportunity.

**Catherine Stihler (S&D).** – Madam President, the matter I was wanting to raise today is that, on 18 September, 36 Members of this House, including myself, were honoured by the European Lung Foundation for our anti-tobacco work.

This is actually the European Year of the Lung, and the petition can still be signed by colleagues who are interested in our work against the tobacco industry and on tobacco control.

At the moment, only 10 out of the 27 Member States have a comprehensive ban on smoking in public places, to make these places smoke-free. I am proud that Scotland was one of the first countries to introduce a smoking ban in public places. The recent evidence suggests that there has been an 18% drop in the number of children coming into hospitals with asthma because of this ban on smoking in public places. This is something we have to see replicated across the European Union.

I would ask the House to congratulate the 36 colleagues who were presented with this award by the European Lung Foundation on 18 September.

**Nessa Childers (S&D).** – Madam President, I would like to welcome last week's vote by the Committee on Budgets to freeze the salaries and allowances of European Commissioners unless changes are made to their Code of Conduct. That vote shows that Parliament will not tolerate any repeat of a case like that of Charlie McCreevy, the former internal market Commissioner, whose new directorship is being investigated by the Commission over concerns of a possible conflict of interest.

201 requests have been made by Commission figures seeking permission to take up jobs following their time in the Commission. Only one has been barred. The Code must be reviewed and should not merely be a set of guidelines, loosely interpreted.

**Sergej Kozlík (ALDE).** – (SK) The current Slovak Government has put forward a number of bills which undermine the constitutionally guaranteed independence of the courts and of judges.

A constitutional amendment bill which aims to limit the immunity of judges is being put before Parliament without inviting prior comments and without having a specialist debate. Slovakia's drift towards a deformation of democracy and the legal state is also evidenced by the fact that the President of the Supreme Court and the President of the Judicial Council

have twice been prevented from speaking in a plenary of the National Council during debates on laws concerning the judiciary, including a law on the Judicial Council. The amendment of the Act on the Judicial Council has the aim of changing the composition of the Council even before the end of its proper term of office. The amendment of the Act on judges will increase the number of political nominees in selection committees for selecting and advancing the careers of judges from one to three. This is only part of a story which clearly shows how the current executive and government power in Slovakia is attempting to interfere with the power of the courts.

**Csaba Sógor (PPE).** – (HU) This day, 6 October, is an important date in Hungary's history. More than 150 years ago, Hungarian revolutionaries took up arms against Europe's two most powerful armies in the name of the fundamental values of liberty, equality and fraternity emerging throughout Europe at the time. The thirteen generals of the defeated freedom fight were executed on this day in the town of Arad, now located in Romania. However, the desire of the Hungarian people for freedom was manifested just as powerfully against communism, the twentieth century's oppressive regime, as the events of 1956 amply demonstrated. Only four of the thirteen martyrs executed in Arad in 1848 were Hungarian, standing as proof that universal values transcend national differences. For us Hungarians, this symbolises the eternal desire for freedom and the unity of the Hungarian nation, as well as reconciliation and solidarity among nations.

**Agustín Díaz de Mera García Consuegra (PPE).** – (ES) Madam President, I would like to take this opportunity to condemn the degrading and anti-democratic treatment by Hugo Chávez's government of those who defend freedom and human rights.

The detention of my colleague, Mr Iturgaiz, at Caracas airport cannot be overlooked. It is not the first time that the regime has launched an attack on members of the Group of the European People's Party (Christian Democrats). Our mission as Members of this House is not limited to within the EU. It also involves promoting the values on which the Union is based such as freedom, democracy and respect for human rights.

It is evident that this task is not well received by those that seek to impose totalitarian ideas on their citizens.

The result of the parliamentary elections held on 27 September leaves room for hope, although we should all be concerned about the reaction to the progress made by the Venezuelan opposition.

What can we expect from a government that harbours terrorists from the Oker terrorist cell, of an executive body that includes an alleged ETA murderer as the head of security of the Venezuelan National Land Institute, or of a government that ignores extradition requests for numerous terrorists who have fled justice?

Obviously, we can expect nothing.

Madam President, such contemptible attitudes deserve a strong reaction and the firmest possible rejection by Parliament.

**Csaba Sándor Tabajdi (S&D).** – (HU) A Germany divided in two was the most tangible symbol of the absurdity and inhumanity of a bipolar world. Without the reunification of Germany, the reunification of Europe and the enlargement of 2004 and 2007 would not have taken place either. No other people in Europe empathised more with Germany's artificial and absurd division than the people of Hungary. Europe's reunification started



with the reunification of the German nation. The fall of the Berlin wall also brought down the wall separating a Europe divided by the Cold War. As a Hungarian, I am particularly proud that my country's leaders at the time took the brave and daring decision to allow the several tens of thousands of citizens of the German Democratic Republic who fled to Hungary to cross the iron curtain into Austria. They cancelled the treaty between Hungary and the GDR, thereby knocking the first brick out of the Berlin Wall. Gyula Horn, the then Foreign Minister of Hungary, and Prime Minister, Miklós Németh, performed an historic act, which could not have taken place without the reformist efforts of Mikhail Gorbachev.

**Pat the Cope Gallagher (ALDE).** – Madam President, I have just returned from Iceland after attending the first meeting of the EU-Iceland Joint Parliamentary Committee. Over the course of the two-day visit, our delegation held an extremely informative exchange of views with members of the Icelandic Government and of the Icelandic Parliament in relation to their application for membership.

When the delegation met with the Icelandic Minister for Fisheries, I took the opportunity to raise the issue of the substantial increase in the total allowable catch of mackerel. We all have a responsibility to sustain this fishery, and indeed all fisheries, but I referred to this one in particular. I am please to note that on 12 October in London, Iceland will enter into negotiations with the coastal states, and I am hopeful that a satisfactory solution can be reached.

The fall-out from the financial crisis is still very much evident in Iceland. That is why the Icesave dispute must remain a bilateral issue between Iceland, the UK and the Netherlands. It is vitally important that the parties involved continue negotiations with a view to reaching a satisfactory outcome.

**Georgios Koumoutsakos (PPE).** – (EL) Madam President, I am especially pleased that Commissioner Barnier is here today, because I know that the matter which I intend to raise is of particular interest to him. Natural disasters have an incalculable cost in terms of human lives and economic infrastructures. Dealing with them is a joint challenge and requires joint action. The European Union therefore urgently needs to be able to respond efficiently in such emergencies. In order to do so, Europe needs to make better use of its potential and to galvanise European citizens into action.

The long European tradition of voluntary work and the principle of solidarity provide a solid basis for achieving this. The time has come, therefore, to create a European volunteer corps, precisely as provided for in Article 214(5) of the Treaty of Lisbon. I would remind you that 2011 will be the European Year of the Volunteer. A European volunteer corps would strengthen the role and image of Europe and win the hearts and minds of European citizens and citizens throughout the world.

The European Parliament has a duty to take urgent action to create a European volunteer corps.

**Zbigniew Ziobro (ECR).** – (PL) Madam President, specific limits on CO<sub>2</sub> emissions will be in force in the European Union from 2013. The recent plans of the European Union to bring in a limit at a lower ceiling than previously planned, namely, at a level of 0.688 tonnes of CO<sub>2</sub> per tonne of manufactured product, may lead to a disastrous situation for cement producers in many European countries, including Poland.

As has been reported by some media, for example, the daily newspaper *Gazeta Prawna*, it has been calculated that cement prices will rise by at least 30%, which will, on the one hand, hit the retail customer who wants to build a house or flat, but will also slow down economic development wherever cement is a fundamental resource for production. This situation is particularly dangerous for the new EU Member States because they have a long distance to catch up with the wealthy countries, such as France or Germany, for example, which built most of their infrastructure, such as motorways, a long time ago, when no limits were in force in this area. This situation also has a detrimental effect in that part of production will be moved across our eastern border and the CO<sub>2</sub> will be produced anyway, and our economy will be the loser.

**Georgios Toussas (GUE/NGL).** – (EL) Madam President, the anti-democratic resolution approved by the Parliamentary Assembly of the Council of Europe yesterday, 5 October, equates the working-class and grassroots fight with extremism and, in the name of combating extremism, proposes restricting and abolishing basic democratic rights, such as the right of free expression, the right of assembly and association and even a ban on action by political parties.

This despicable resolution reserves special comment for Greece and the major working-class and grassroots fight which developed recently against the barbaric, anti-grassroots policy of the European Union and of the government of our country and the governments of the other Member States of the European Union. The class struggle will not be stopped by reactionary resolutions and laws. It is an historic lever, the inevitable product of the system, born of barbarity and of the exploitation of man by man. The working-class struggle, the reconstruction of and counter-attack by the working-class and grassroots movement throughout Europe can consign these resolutions where they belong: to the dustbin of history.

The Greek Communist Party calls on the working and grassroots classes to condemn this reactionary resolution in practical ways, by stepping up their fight against the anti-grassroots attack by capital in the European Union and the bourgeois governments, thereby supporting efforts to build a socio-political alliance of the working classes and self-employed which will claim changes for the benefit of the people.

**Laima Liucija Andrikiienė (PPE).** – (LT) The EU-China summit is taking place today in Brussels. Alongside climate change and trade, topics for discussion include the situation of human rights defenders in China, the death penalty and the *Laogai* forced labour camps. These subjects are, without doubt, very important, but I would like to remind you of another acute Chinese problem – Tibet. It is regrettable that the dialogue between the Dalai Lama's representatives and representatives of the government of the People's Republic of China, which offered some hope, is moving at a very slow pace. The ninth round of dialogue took place last November. Meetings take place on an irregular basis and are dominated by an atmosphere of distrust. This is despite that fact that the Dalai Lama has long since given up the objective not just of Tibetan independence, but also Tibetan sovereignty.

Once again, I would like to call on the leaders of China to resolve the issue of Tibet by means of dialogue, without the use of force and without ignoring the Dalai Lama. The European Union would undoubtedly welcome such a dialogue and is ready to contribute, to mediate and assist in any way possible.

**Corneliu Vadim Tudor (NI).** – (RO) Unfortunately, a system of draconian censorship operates in Romania, the like of which does not exist in any of the European Union's

Member States. I am referring to an absurd institution called the National Audiovisual Council.

This is a Stalinist monstrosity which, flying in the face of all reason, would even ban such great writers as Cervantes, Goethe, Byron, Balzac, Cesar Pavese and Adam Mickiewicz, if they were still alive today. This rabble effectively terrorises independent television stations. I would compare this council to an elephants' graveyard from which a few 'zombies' emerge, under the remote political control of a declining dictatorship which imposes crippling financial penalties on those programmes that allow opposition parties to voice certain truths.

Help us get rid of the despotic mandarins from the National Audiovisual Council and restore to Romania the biggest victory it won in the year of revolution in 1989: freedom of the press.

**Marian Harkin (ALDE).** – Madam President, earlier this evening, we debated the social provisions and the Lisbon Treaty, which obliges the Union to consider the social consequences of a decision when making its policies. Is the EU – or should I say the Commission – considering the social, and indeed economic, consequences of insisting that Ireland comply with the Stability and Growth Pact by 2014?

Of course, fiscal consolidation is very important, but there is a real sense that it is all that matters. 'Get within the 3% by 2014 or else': that is the very strong message coming from the EU. Earlier this evening, the Belgian Presidency said that mindless austerity is not inevitable, and yet that is what we are facing: mindless austerity, fiscal correction at whatever cost. How about the need to rebuild our economy? Yes, we need to get back to the 3% level, but we need a longer time frame.

I fully accept that many of the difficulties are self-inflicted and I am not looking for sympathy, but I am saying that mindless austerity will destroy our small, open economy that, two years into the crisis, still has four businesses closing every day.

**Joanna Katarzyna Skrzydlewska (PPE).** – (PL) Madam President, the last few days have been full of reports about the lethal effects of using psychoactive substances, or what are known as 'designer drugs'. This problem, because of the growing wave of intoxications and even fatalities, particularly among young people, is also highly visible in Poland.

The ingenuity of the producers and retailers of designer drugs is winning out against the legislation of the Member States. They put lethal drugs on the market much earlier than the Member States manage to ban their sale under national law, and among the people who buy them, the conviction arises that designer drugs, because they have not been banned, are not harmful either. Nothing could be further from the truth. Designer drugs are as harmful as illegal drugs and are even, in fact, more dangerous, because they more quickly lead to dependence.

In view of the very serious social problem of designer drugs, which is growing with every passing day, we must take resolute and effective action as quickly as possible. The European Commission, out of concern for the health of thousands of young people, should urgently undertake a broad range of activities to inform people about the harmfulness of designer drugs and the dangers associated with their use, and should also prepare new legal measures.

**Seán Kelly (PPE).** – Madam President, as reported in the *Financial Times* of 6 October, the research Commissioner, Mrs Geoghegan-Quinn, has warned of an innovation emergency in Europe.

We need to stimulate private sector research funding through a variety of measures, such as venture capital financing initiatives. However, the European Union proposals, intended to prevent a repeat of the financial economic crisis, lump venture capital – key to driving small innovative start-ups in the EU – together with speculators such as hedge funds.

Venture capital is the honeybee of alternative funds owing to its ability to pollinate emerging businesses and drive growth in the global economy, as exemplified by Google, Facebook and Skype. Venture funds provide access to capital, business expertise and often the market place itself for innovative private start-ups and SMEs. They provide stable support and investment for a period of between three and seven years on average.

We also need to bridge the gap between ourselves, the US and Japan. I think we should heed the words of the Research Commissioner, Mrs Geoghegan-Quinn.

**Sonia Alfano (ALDE).** – (IT) Madam President, I would like to report to Parliament that last Sunday, during the Pope's visit to Palermo, the Italian Constitution and the Charter of Fundamental Rights of the European Union were suspended. Freedom of expression and of thought and the inviolability of private homes were trampled over.

On this occasion, the Italian police insisted on the removal of a banner bearing a phrase from the Gospel: 'My house shall be called a house of prayer, but you have made it a den of thieves', while the same police force put up posters that were homophobic and against common-law couples. Inside the bookshop *Altro quando*, the owner had put up a banner bearing the phrase 'I love Milingo'. The police entered the private premises and seized the banner without any court warrant and using methods that were unedifying even by their own standards.

It is paradoxical that in a lay and democratic State, as Italy is supposed to be, public freedom of expression is suppressed by the authorities in order not to offend the papal sensibilities, while Prime Minister Berlusconi is able to swear in public without this representing a problem for the Church. On this occasion, all the lay and religious institutions yet again rode roughshod over democracy in Italy, increasing the unbridgeable gap that has now emerged between institutions and the public.

**Claudiu Ciprian Tănăsescu (NI).** – (RO) In spite of the recovery measures adopted by governments in European countries, the recent demonstrations and strikes highlight that the situation is still far from improving.

Unfortunately, it is precisely these recovery measures that governments are aiming to use to plug the budgetary gaps and pay off the expensive loans taken out with banks, which are causing a new crisis, reflected in the immediate drop in incomes and the decline in European citizens' quality of life.

The time may have come for governments in the European Union's Member States to change their attitude by putting the interests of citizens with increasingly empty pockets above those of the banks, which are still managing, by some miracle, to earn large profits. Basically, if anyone needs to lose in this game, it should not always be the man in the street.

**Gabriel Mato Adrover (PPE).** – (ES) Madam President, I am also going to talk about Venezuela, because there are some people who do not understand that democracy is not

just about casting votes. Democracy is being able to do so with security, freedom and equality, and in a democracy and under a system of freedoms, private property must also be respected.

Unfortunately, at present in Venezuela, the public and their businesses are under threat. In this respect, I would like to mention one business, Agroisleña, which was founded by people from the Canary Islands and on which more than 1 000 families depend. It has been unfairly expropriated, and like so many other businesses, after many years of hard work, it is failing, following capricious decisions by those who think that anything goes. First, land was confiscated, now businesses are being confiscated, so who knows what will be next?

It is time for the people of Venezuela to feel free and for businesspeople to no longer feel defenceless and permanently under threat. As has already been said, it is time for Venezuela to be a genuine democracy where there is no doubt that terrorists will not find refuge.

**Evelyn Regner (S&D).** – (DE) Madam President, I would like to draw attention to the International Transport Workers' Federation (ITF)'s action week, which will be manifesting itself in Istanbul this weekend. The reason for the international day of solidarity is the aggressive behaviour of a global package delivery company against its own employees, who want to form a trade union. Unfortunately, Turkish labour law is not yet up to European standards, and this fact is often exploited to the full by employers. Under Turkey's Labour Act, a trade union can only be active in a company once it has achieved a rate of unionisation of over 50%. Let me say that again: over 50%.

UPS, the US-based package delivery company, has acted in a crude manner to put a stop to the campaign to unionise. The company fired 1 57 employees without notice after they had organised themselves into the competent transport workers' union TÜMTİS and were working towards recognition as a union by UPS. Thousands of UPS employees have now been battling since May to have their colleagues re-instated and for better working conditions. This pro-company labour law and its brutal methods mean that Turkey is a trade union-free zone.

**Izaskun Bilbao Barandica (ALDE).** – (ES) Madam President, on 18 October, a trial will begin in the Turkish city of Diyarbakir of 28 leaders of the Democratic Turkey Party (DTP).

They include 14 representatives elected by the public: 12 mayors and two municipal councillors. Their crime is peacefully defending their political positions, which could cost them between 15 years and life in prison.

The banning of the DTP and the arrests that I have mentioned are one more example of the persecution being suffered by the Kurdish minority in Turkey. These events were expressly condemned in the resolution that we adopted on 10 February analysing the progress made by Turkey in 2009 in moving closer to the Union, but we do not think that sufficient progress has been made.

If we are consistent and we wish to help the victims and help Turkey to move forward in the right way, we can do so. During this period, let us support the movement of solidarity with the Kurdish cause.

I would therefore like to urge the Commission and Parliament to send an official representative to the trial in Diyarbakir.

**Corina Crețu (S&D).** – (RO) The worst thing that can happen during an economic crisis is for a political crisis to come on top of it. This is what is happening in Romania, experiencing the sharpest economic decline in Europe which is emerging from the crisis.

Austerity measures of unprecedented severity are being implemented by a government which is indifferent to the hardships endured by millions of Romanians, virtually doomed to suffer from cold and hunger and being unable to buy medicines. The social protests which we have been seeing recently reflect the mood of citizens in despair at the prospect of being forced to face the harsh winter conditions with dramatically reduced incomes. At the same time, shocking violations are taking place of the right to free expression, as has already been mentioned this evening during the plenary debate in this House.

The fraudulent enforcement of a pensions law targeted at the poorest section of the population forces me to ask Europe's institutions to focus the attention required on the absolute crisis which Romania is engulfed in and to rebuff the anti-democratic abuses in this country.

**Maria Da Graça Carvalho (PPE).** – (PT) I would like to highlight here an event that took place in Portugal yesterday and which is of the greatest importance for the country, for Europe and for the future of humanity.

The Champalimaud Foundation inaugurated a centre for research into cancer and the neurosciences. Mr Champalimaud was an entrepreneur who left one third of his personal fortune – EUR 500 million – to scientific research in these areas. I salute the President of the Champalimaud Foundation, Dr Leonor Beleza, who has established stringent criteria for marrying excellence in scientific research with clinical practice. I am sure that the goal of putting Portugal and Europe at the forefront of excellence in this area of scientific research will be fully achieved.

The Champalimaud Foundation will attract world-renowned scientists to Portugal and Europe. From the Tagus estuary, it will start a new chapter in Portuguese and European scientific research, letting the world know about new worlds.

**Miroslav Mikolášik (PPE).** – (SK) At the Parliamentary Assembly of the Council of Europe tomorrow, there will be a vote on the report by the British socialist, Christine McCafferty, entitled 'Women's Access to Lawful Medical Care: the Problem of Unregulated Conscientious Objection'.

We must completely condemn this report, which amounts to an unprecedented and serious interference in, and threat to, the sovereignty of Member States, the principle of subsidiarity and the fundamental right to freedom of thought, conscience and religion. The report focuses particularly on the area of so-called reproductive healthcare for women, and abortions, sterilisation and also, if I may quote, 'pain-relief by life-shortening means for terminally ill patients', which means active euthanasia. This Council of Europe document even demands that Member States oblige healthcare providers to provide a requested treatment to which a patient is legally entitled regardless of their conscientious objections. Moreover, it calls for the creation of some kind of register of people who exercise an objection, and then proposes that they be somehow persecuted. It is unacceptable to give in to this trend for regulating conscientious objection in Europe.

**María Muñoz De Urquiza (S&D).** – (ES) Madam President, it is irresponsible to question the firmness of Spanish foreign policy in terms of the fight against terrorism, and it is wrong

to accuse the Venezuelan Government of colluding with the training of ETA terrorists on its territory, because there is no evidence of such collusion.

There is international dialogue and cooperation in Spain's brave fight against terrorism within its borders and outside them, and there is dialogue and cooperation with Venezuela, which has been asked to take specific action in this case.

Instead of demanding the breaking of ties and confrontations, let us leave the police, judicial and diplomatic authorities do their work, which has resulted in unprecedented success and results in the fight against terrorism in Spain.

**President.** – This item is now closed.

### **18. Health care systems in Sub-Saharan Africa and Global Health (short presentation)**

**President.** – The next item is the report by Mrs De Keyser, on behalf of the Committee on Development, on health care systems in sub-Saharan Africa and global health (2010/2070(INI) (A7-0245/2010).

**Véronique De Keyser, rapporteur.** – (FR) Madam President, Commissioner, thank you for having stayed this far. This report actually responds to a communication from the Commission on global health, but we wanted to adopt an angle that was rather exceptional and concentrate a good deal more on the mutual schemes that are currently thriving in Africa. Allow me to digress a little.

The state of health in Africa is actually quite dreadful, despite all the international aid, and this is due to a large number of factors, whether they be climate change, the financial crisis, war, bad governance in certain countries, or the greed that is provoked by the very riches found in Africa. Add to this the major pandemics such as Aids, malaria, tuberculosis, and so on, and this set of factors means that we find ourselves facing a genuine disaster.

So I must first of all pay tribute to the work of the NGOs and of certain churches too, which are doing a truly remarkable job in emergency conditions, in conflict zones, but this cannot represent a long-term response, it is not a sustainable response.

There are what are called vertical funds, which have been mentioned and which are used to fight major diseases, such as Aids, malaria and tuberculosis, for example. They attract a lot of money and are quite attractive to private aid efforts, since people feel they are giving to a cause that is being kept well under control. In reality, however, these funds too, while certainly achieving their objective, cover only a small part of the problem, because, unfortunately, more deaths are still caused in Africa today by the lack of sanitary infrastructure, the lack of drinking water – children die of dysentery – or the lack of a local dispensary, than, alas, by Aids or malaria.

Hence, the attention that has been drawn to a movement that has been emerging since the 1990s, represented by initiatives consisting of insurance schemes but, above all, of mutual schemes, which have sprung up just about everywhere in different African countries. The objective of these mutual schemes is, of course, to involve people in the management of their own health. Let us not close our eyes: they will not be self-sufficient, they will not succeed in providing all the financing for care or for access to medicines, but in combination with other funds, with other subsidies, they do nonetheless ensure the provision of health care and medication, and on top of that participation, a kind of social dynamic that has taken root.

There are hundreds of them; they exist in various countries and in various sectors. There are women's mutuals, café owner's mutuals and so on. The challenge for us, then, is to support this social dynamic, to finance it, and to coordinate it, while at the same time telling ourselves that perhaps one day, it will become self-sufficient, but not yet today.

Therefore, although these mutuals can exist, they can do so only if, of course, there exist alongside them what are called horizontal systems. That is to say, why insure yourself or pay for any episode of ill health, for surgical intervention, if there is no hospital, if there is no doctor, if there is no medication? Therefore, as a corollary, we believe that the European Union should not only support, coordinate and sustain these mutuals, but also lay great stress on horizontal systems, on basic health care, even if it means calling on vertical funds partially to finance this 'horizontal' care, this element of basic care that is necessary, that provides the balance that enables the mutuals to exist.

It is that set of problems to which the report refers. I have run out of time but I shall perhaps reply to Members who have some concerns about reproductive health, which is mentioned in this report and is an issue I set great store by.

**Niccolò Rinaldi (ALDE).** – (IT) Madam President, ladies and gentlemen, Mrs De Keyser has already said nearly all there is to say. I would like to dedicate this minute to a baby boy who I met on 1 December 2009 in Luanda, when we were in Angola for the ACP-EU Parliamentary Assembly. The baby boy was at the end of his life, he was dying due to malnutrition in his mother's arms in the Divine Providence Hospital in the centre of Luanda, near the place where we were doing our work and near the stadium that was being built for the African Cup; in other words, he was surrounded by plenty.

Yet this was not an isolated case: every day in Luanda, children are still dying of hunger, due to malnutrition, in the arms of their young mothers who have not been taught anything about nutrition and who are often left to their own devices.

For a Christian, sights like this constitute a sin – a great sin; for a politician, they are a sign of the failure of our policies; and for the ruling class of that country, Angola, they are also a sign of greed and the unfair distribution of wealth. I believe the reasons why that child had such a fleeting existence on the earth give us much food for thought and I hope my testimony will contribute to this reflection.

**Anna Záborská (PPE).** – (SK) Despite certain reservations which I have against this report, I would first like to congratulate Mrs De Keyser. She has demonstrated, as so many times before, her grasp of development policy and how she cares about living conditions in various parts of the world.

The level of health care in sub-Saharan Africa is deplorable. However, I am concerned that Mrs De Keyser has failed to accept at least some of my amendment proposals. It cannot be right for us to talk positively about the final documents from Cairo and Beijing, and yet when I refer to them, they are not accepted. This is only because, according to some Members, certain paragraphs perhaps do not align with the European policy on reproductive health. It is regrettable that we are unwilling to respect the importance of national and regional particularities and the historical, cultural and religious diversity of states in sub-Saharan Africa. The health of the local inhabitants can only suffer as a result.

**Miroslav Mikolášik (PPE).** – (SK) The general declaration of human rights recognises health as one of the fundamental human rights. I personally believe that this right must be viewed in close connection with the actual right to life.



In Sub-Saharan Africa, these rights have a very specific and precarious context, and I would therefore like to emphasise the need for the European Union to take a responsible and humane approach in the area of health care. Firstly, I would like to mention that the European Union should not promote the termination of pregnancy as a right, since this so-called right is not recognised in any international documents as a so-called fundamental human right. On the contrary, the Union, as a defender of human rights worldwide, should act progressively in support of programmes to protect mothers with children in its development policies, and promote outcomes that are also compatible with the right to life and protection of the unborn child. Secondly, I would like to emphasise again that the EU and the Member States should not incorporate into trade agreements provisions on intellectual property rights which prevent poverty-stricken people in developing countries from having access to basic medicines and which contribute to the high mortality rates in these regions.

**Michel Barnier**, *Member of the Commission*. – (FR) Madam President, my colleague, Mr Piebalgs, could not be here in person, and it is on his behalf that I shall make a number of comments and remarks. To speak quite truthfully, once again, the Commission is always at the disposal of Parliament, and I am very pleased to have heard Mrs De Keyser and the other speakers on a subject that has been a personal interest of mine for a long time. Besides, Mrs De Keyser, in my office as Commissioner for the Internal Market and Financial Services, it is not by chance that, in addition to the visits that I now make every week to each of the capitals of the Union and after the first visit that I had to make to the United States, since almost all of our transactions are transatlantic ones, I was anxious to make my second visit outside the Union to Addis Ababa, at the end of July, to meet the leaders of the African Union. This is because our fates are bound up one with the other, and for many years now, I have been arguing for a new policy of partnership between our two great continents.

With respect to many subjects linked to the crisis, which in any case concern or relate to our own preoccupations – for example, cooperation between our markets, the fight against money laundering, financial regulation, the fight I want to wage remorselessly against excessive speculation in agricultural commodities, notably in Africa where many countries depend on imports for their food – I and my colleagues decided, following that visit, to take up and intensify our cooperation.

While I congratulate you on behalf of Mr Piebalgs and for my own part on the quality of your report, in which you describe the health care situation in developing countries, I should add that we are not talking about Africa alone. A few weeks ago, I was in Haiti to follow up the visits made by my colleagues Baroness Ashton, Mrs Georgieva and Mr Piebalgs, and it was clear that, even outside Africa, there are challenges to be overcome in disease prevention and public health in the poorest countries.

As Mr Rinaldi said, there is the fact that nearly 30 million people die prematurely every year in developing countries from causes that could be treated with the amount of money devoted in the European Union or the United States to pet food alone, or, if we are looking for another comparison, with about 2% of global military spending. I find that situation quite simply unacceptable.

Viable social policies, including for health, should be at the heart of a state's basic functions, within a framework of sustainable and inclusive growth. Health is not only a universal right, but also a part of economic development. Health systems based on per capita expenditure of less than EUR 30 per year, which is 50 times less than the EU average, will

never be sufficient to keep health professionals in post, ensure the availability of essential medicines or offer people equal access to care.

On this point, I should like to tell you, on behalf of Mr Piebalgs, that we shall continue to insist that the European Union honour its commitments in terms of the level and quality of public development aid to those third countries that most need it. As far as the Commission is concerned, support for health systems remains a priority commitment of our foreign policy and a strong component of our political dialogue with third countries. Echoing Mrs Záborská's concern, third countries are not, in fact, all in the same boat. There is a great difference, as you said, between the developing countries and the less-developed countries in Africa, for example.

Moreover, we are trying to promote this concept through the Commission's active participation in global initiatives such as the Global Fund to Fight Aids, Tuberculosis and Malaria, as well as by interacting with other public and private players active in this field. Mrs De Keyser, you have rightly paid tribute to the work of the NGOs, which I consider to be exemplary. Again, a few days ago in Haiti, I saw that they play a remarkable as well as a decisive role in the administrative or public aspects of the various actions undertaken by the Union, fund sponsors or the World Bank.

Adequate social and health policies are essential in order to achieve concrete results in Europe as much as in developing countries. Merely ensuring that a substantial amount of resources are dedicated to supporting our European partners cannot be enough. We must also make sure that our internal policies are consistent, for instance, the policy on migration of health professionals or on the trade in medicines, in such a way that the global impact of internal policies can also be of benefit, or at least cause no harm, to those most in need of them in the world.

In my own sphere of competence, I should like to make two points that may be of interest to you, Mrs De Keyser. Firstly, in the draft Single Market Act, which we are getting ready for 27 October, I intend to give priority to the major sector of social business and to work towards a statute for the European Foundation. In amongst all that, there is encouragement that we should be giving, here at home in Europe, to structures, to NGOs, to social enterprises, which could be supported in their work to help the poorest countries or developing countries, notably in this sphere of health.

Next, there is a second area that concerns me just now, in fact, and that is counterfeiting. In the plan that I shall be presenting to you in the autumn, on fighting piracy and counterfeiting, I have provided for several sections that we shall be financing and supporting; on technology for detecting counterfeit goods, on communicating with the European public, and on training personnel in customs or at the external frontiers of the Union.

However, I should also like to have a section – and I have asked my colleagues for this – on cooperation with the countries where these counterfeit goods originate and where they could cause considerable harm to health, particularly if they are counterfeit medicines. We shall be returning to this subject in due course.

On the basis of the analysis that I have quickly outlined for you, the Union has adopted the conclusions on the Union's role in global health. They are our reference point when intervening in matters of health. As I said, the resources for official development aid are not sufficient, and there is one point on which the analysis in your report proves just how pertinent it is. In Europe, we have numerous ways of financing health services, and each

one has its strengths and weaknesses. There is no single, perfect solution to fit all local circumstances. It is clear that a purely voluntary insurance scheme, based on private finance mechanisms, would not be sufficient to provide equal and universal access to health care, either. Hence, the essential role that public authorities must play in regulating and financing health services in order to establish or ensure principles of fairness and inclusion.

We are very much relying on Parliament's contribution to this effort in order to strengthen and enhance the solidarity of the people of the European Union and of the other Union players in this area, notably the NGOs. I believe that our Union has much to learn, but also much to share with the rest of the world, and that we can provide added value in this area. We must clearly translate all this into the approach that we take to health policy in developing countries, and I, for my part, am pleased to be able to reply to you and to take advantage of this opportunity to express my personal commitment to these issues.

**President.** – The debate is closed.

The vote will take place tomorrow.

#### **Written statements (Rule 149)**

**Maria Da Graça Carvalho (PPE)**, *in writing.* – (PT) The inability of African countries – which are often weak countries that have recently emerged from conflict situations, or that lack sufficiently robust institutions or adequate resources – to apply effective public health policies and, in particular, to guarantee access to adequate health care services, constitutes a major challenge and a global responsibility. It is essential for there to be a worldwide EU vision on health with guiding principles that must be applied to all relevant strategic sectors. Investment in education and capacity building will produce positive effects on health worldwide, and I call on the European Union to actively support the training of qualified health care professionals. It is essential for EU Member States to ensure that their migration policies do not prevent health care professionals from being available in third countries. I call for the commitments made under the EU strategy for action on the crisis in human resources for health in developing countries to be made good. The EU must facilitate circular migration as a means of reducing the brain drain from countries that are in difficulties.

**Corina Crețu (S&D)**, *in writing.* – (RO) The state of health of the population in sub-Saharan Africa poses one of the toughest challenges for the EU's humanitarian and development policy. I believe that the tragedy of the situation is best encapsulated by the fact that the inhabitants of this region have a life expectancy which is approximately half that of a European citizen. The report spells out very clearly the causes of this and emphasises the remedies required, as well as our share in the responsibility for this. The international funds allocated to health care are half the amount allocated to education. Without devaluing education in the least, I believe that this disproportion reflects an oversight which must be corrected in future.

Furthermore, the developed countries' encouragement of the exodus of doctors and nurses from African states allows the current disaster to continue. I think that greater discernment, especially from EU countries, when it comes to recruiting specialists in similar key areas, would promote significant progress in improving Africa's health care system.

**João Ferreira (GUE/NGL)**, *in writing.* – (PT) Unfortunately, the universal right to health care is still very far from being a reality. Millions of people are still without access to basic health care, life expectancy in many countries is still scandalously low, and millions of

children still die from diseases that can be prevented and cured. This situation is all the more serious because whether it continues or is brought to an end depends on political decisions. The predominant force in these decisions has been the interests of large economic and financial groups. The pharmaceutical multinationals continue to prevent the cheaper production of medicines that would enable the lives of millions of people to be saved. International financial institutions continue to impose so-called 'structural adjustments' by maintaining the odious foreign debt of countries in the developing world, and imposing cuts and privatisations on the health sector when shortages are already enormous. A real contribution to improving the health care systems of these countries would require, firstly, the immediate rejection of the so-called 'economic partnership agreements', the implementation of which, in the manner that the EU is seeking to impose, will worsen dependence relationships and have an even greater impact on these countries' priorities; and also an end to their foreign debt and a proper development aid and cooperation policy.

**19. Documents received: see Minutes**

**20. Agenda for next sitting: see Minutes**

**21. Closure of the sitting**

*(The sitting was closed at 23:25)*