

**SITTING OF TUESDAY, 5 SEPTEMBER 2000**

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**IN THE CHAIR: MRS FONTAINE**  
*President*

*(The sitting was opened at 9.05 a.m.)<sup>1</sup>*

**Welcome**

**President.** – Ladies and gentlemen, it is my great pleasure to welcome a group of municipal councillors from Malaga this morning. Our visitors include the wife and daughter of José María Martín Carpena, a Popular Party municipal councillor in Malaga, who was assassinated by ETA on 15 July.

Ladies, allow me to say that your presence with us here today illustrates your courage in coping with this horrendous experience, which was made all the more painful by your witnessing this heinous murder. In all sincerity, I can do no more than offer you our deepest sympathy.

Yesterday, as you know, this House paid its respects to the victims of terrorism in Spain and observed a minute's silence in their memory. I would like you to know that you have the full support of the European Parliament in the fight to put an end to terrorism in Spain.

*(Applause)*

**Galeote Quecedo (PPE-DE).** – *(ES)* Madam President, we once again have cause to regret the fact that, in Europe, there are still people who murder others because they think differently and who burn down the houses of their political opponents. There are people who force many others to emigrate in order to save their lives and the lives of their families.

Faced with this, under the rule of law, we democrats can only unite to defend our system of freedom from the tyranny of terror and trust in judicial action. The most difficult thing is to explain to the widows and to the children who have been orphaned why their loved ones have been taken away. To you, Elvira, María José, we can only offer our deepest sympathy.

*(Applause)*

**Aparicio Sánchez (PSE).** – *(ES)* Madam President, once again you have shown yourself, through your words today and yesterday, to be worthy of your duties as a representative and as a human being, and I thank you on behalf of the Socialist Group. In fact, in an emotional tribute, we have just applauded one of the victims, José María Martín Carpena, whose life has been taken simply for having committed the crime of living and working in a peaceful and democratic country.

Every, or almost every, human being feels emotional and all democrats feel indignation, but I have a special reason to feel emotional in this case. For sixteen years I had the honour of being mayor of the city to which Martín Carpena dedicated his life and of presiding over the Council in which he worked. I understand very well what a great job all councillors do. In return for modest human, political and economic compensation, they give their time generously and dedicate their lives to the public good. That is how Martín Carpena won the affection of all the people of Malaga.

Madam President, as you know, and as we saw yesterday, there are groups in the Basque Country who support terrorism. Using Nazi rhetoric, they propose ethnic and political objectives for territories, which are currently Spanish and French, which surpass the Albania of the sixties. They wage their campaigns in the countries of the European Union.

I would like to remind Members that a political union based on democracy and human rights would not have allowed the terrorist totalitarianism of the 20s and 30s to emerge in Europe. Therefore, when all the social and communication institutions of Europe can react with the courage of this Parliament and when the fifteen different populations have the same attitude to ETA's attacks, terrorism will be all but finished. On behalf of the Socialist Group then, Madam President, I would like to pay the warmest of tributes to the memory of Martín Carpena and also offer my best wishes to the family and colleagues of this murdered councillor.

*(Applause)*

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<sup>1</sup> *Order of business – Documents received – Topical and urgent debate (motions for resolutions tabled): see Minutes.*

2-007

**Esteve (ELDR).** – (ES) Madam President, the presence of the group of councillors from Malaga and, in particular, the presence of the widow of Martín Carpena can help us to regain that sense of hope which ETA wants to stamp out. I believe that their presence is without doubt something which will allow us to believe that the Basque people can regain its capacity for dialogue and can return to peace.

It is clearly difficult for words to keep their value, despite the fact that we repeat them and that yesterday and today Parliament has adopted its position. It is important, however, that they continue to have value. The presence of these people must be reflected in our words and it is important that we speak out so that our words may be worthy of their courage and so that, in speaking and in adopting our position, we share their pain.

The Group of the European Liberal Democrat and Reform Party wishes to express its hope that peace may return to the Basque people.

*(Applause)*

2-008

**Puerta (GUE/NGL).** – (ES) Madam President, on behalf of the Group of the European United Left, I would also like to pay tribute to councillor Martín Carpena and express my admiration and gratitude to him, his family, his wife, his friends and, through them, to all the families of those people who, in the course of their duties, have lost their lives to terrorism.

I would like to say to his family and friends that his sacrifice has not been in vain and that they have been at the front line in the defence of democracy, through their bravery and courage, not only in the Basque Country and in Spain, but also in Europe. The front line of democracy must be defended democratically. We must bear in mind the enormous courage required in order, on behalf of the people, as representatives of the people, to defend democratic values every day, in an atmosphere of danger, coercion and threats. Not only have councillors been killed, but also members of the security forces and of democratic forces, social representatives, union representatives and businesspeople. It is particularly perverse, however, to kill, intimidate and pursue those individuals in whom the people have put their trust. There can be no greater contradiction. That is why all the political groups, in unison, are today reaffirming their commitment to the defence of democracy and thanking those friends and families of people like Martín Carpena for the example they set. This will commit us in the future to the fight for democracy and freedom. Please be assured that the sacrifice of Martín Carpena has not been in vain.

*(Applause)*

2-009

**Maes (Verts/ALE).** – (NL) Madam President, on behalf of the Group of the Greens/European Free Alliance, I should like to echo your words of sympathy with, and admiration for, but especially of sympathy with, the relatives of Martín Carpena. Any assault within Europe involving innocent people is an assault on Europe itself, on its democratic values, on the belief that via democratic means, the necessary changes can yet be made in a peaceful and tolerant manner, thus enabling people to live happier lives in a structured society.

I therefore hope that all countries will join forces even more emphatically than in the past in order to find these paths of peace and dialogue and that nobody will try to seek political gain from such attacks. Mrs Carpena, relatives, friends and people from Malaga, as well as people from so many other places where the death toll has risen to more than a thousand, we feel for you and we should more than anything like to see an end to these acts of terrorism. This is why we are opposed to polarisation. We invite all those who seek peaceful change to gather around the negotiating table.

*(Applause)*

2-010

### The Middle East

2-011

**President.** – The next item is the Council and Commission statements on the Middle East. As you know, today's debate is rather special because it will be immediately followed by addresses by the Speakers of the Knesset and the Palestinian Legislative Council who are here in Strasbourg and will be joining us in the gallery shortly. I shall welcome them once they are here and, as you know, they will be making their official speeches to the House at 11.30 a.m.

2-012

**Moscovici, Council.** – (FR) Madam President, President of the Commission, ladies and gentlemen, I should like to start by following you, Madam President, and the Speakers from the groups, in expressing the sympathy and sorrow of the Council, which condemns terrorism. This is an issue which we addressed at our informal meeting of Ministers of Foreign Affairs in Evian on Saturday and Sunday. I in turn wish to assure the inhabitants of Malaga and Mr Carpena's widow of

the European Union's intention to fight on their behalf against the scourge of terrorism, which represents a real threat to our democracies.

You quite rightly decided, Madam President, ladies and gentlemen, to address the question of the situation in the Middle East. This decision was all the more timely given that this region, which has been the scene of a number of particularly striking events over recent months, is approaching what may prove to be an historical watershed. What we in fact face is a turning point for the people of the region: for the first time there is a real possibility of an end to half a century of conflict between Israel and Palestine; but there is also a risk, if this hope is dashed, of a resurgence of violence.

The fact that the Speakers of the Knesset, Mr Avraham Burg and the Palestinian Legislative Council, Mr Ahmed Qurie, have agreed to come here together and address the European Parliament today at your invitation, Madam President, demonstrates the will for peace and dialogue which now drives both sides. I also see their, to my knowledge, unprecedented visit as a gesture of recognition of the European Union's unceasing efforts to promote peace in the region, a recognition which is also accompanied by high expectations of Europe. We must live up to these expectations and this gesture, which I see as a sign of trust and hope, deserves to be welcomed.

I shall now endeavour to explain our analysis of recent developments and of the current state in the region and future prospects of the peace process.

We have witnessed a number of extremely important incidents in the Middle East over recent months, such as the Camp David summit and Israel's withdrawal from southern Lebanon. The death of the Syrian president, Hafez El Assad, under whom Syria became an important player in the region, occurred at the same time. This rapid series of developments mainly concerns negotiations between Israel and Palestine. The accession to power in Israel of Ehud Barak, who was elected on a platform of peace, and Yasser Arafat's unstinting determination to keep the dialogue alive allowed the peace negotiations to resume, thereby helping to resolve the stalemate which had dogged the peace process for several years.

The Sharm el-Sheikh agreement signed on 4 September 1999 marked the start of a new stage in the peace process and the end of a long period of deadlock, if not retreat. It specified how the clauses of the Wye River agreement, which had as yet still not been applied, were to be implemented. It set out a new timetable for concluding Permanent Status negotiations and granted a de facto extension to the one-year interim period by setting new deadlines, which are due to expire shortly, on 13 September 2000. As this deadline approaches, we are entitled to take initial, albeit provisional stock of the breakthrough in the peace process.

My first comment is that it has been possible to implement the main provisions of the Sharm el-Sheikh agreement, even if somewhat belatedly in relation to the original timetable. The second redeployment was completed on 24 March 2000, i.e. just over two months after the original deadline. Several hundred prisoners have been released, although the overall outcome is still not completely satisfactory. Other provisions have not been properly implemented. For example, the third redeployment has not taken place. Only one of the two corridors planned between the Gaza Strip and the West Bank has in fact been opened. Land on the West Bank has continued to be colonised and expropriated, in violation of the Sharm el-Sheikh agreement, which prohibits any unilateral action designed to change the situation on the ground. These difficulties, together with the depressed economic and social climate, have done much to foster tension in the territories which, on several occasions, has degenerated into violence.

As for Permanent Status negotiations, which were to follow an interim framework agreement, they stagnated long ago. The parties had departed so far from their initial positions as to give the impression that it was still too early to hope for a compromise. The recent Camp David summit was held in response to this situation and, even though it did not achieve the hoped-for agreement, it did open new prospects on all aspects of Permanent Status and, as such, cannot be considered a failure. On the contrary, it created new momentum.

I for one am certain that this outcome, which seemed unthinkable just a few months ago, would not have been possible without the personal commitment of President Clinton and Mrs Albright. The progress achieved owes a great deal to their determination to bring the positions of both sides closer together and move the negotiations forward. It is, of course, also – and above all – due to the political courage and sense of responsibility and commitment to peace demonstrated by the President of the Palestinian Authority and the Israeli Prime Minister. It was in fact the first time that they had debated all aspects of Permanent Status without any taboos and neither hesitated in advancing and relaxing the positions of principle which they had hitherto presented as non-negotiable. As we know, the discussions were broken off and, under the diplomatic rule which dictates that nothing is agreed unless everything is agreed, the progress achieved cannot be considered definitive in the absence of any overall agreement. Peace in the Middle East may be in sight, but that does not make it a *fait accompli*.

The progress achieved at Camp David needs to be consolidated and final concessions are necessary, especially on the question of Jerusalem, refugees and, above all, the Holy Places. Camp David opened up new possibilities. We have no

doubt that a solution can be found which takes account of the legitimate expectations of each party and the rest of the world, including for the Holy Places.

We therefore have an historic opportunity and the current situation is still extremely auspicious. The Israeli Prime Minister, who was elected on a platform of peace, wants an agreement, and an agreement is just as much in his interests as it is in the interests of President Arafat, who has stood by his decision to become involved in the Oslo process. As for President Clinton, he is more resolved than ever to use all his influence and the influence of his country to bring the negotiations to a successful conclusion before the end of his term of office, i.e. by the end of the year. This rather exceptional window of opportunity could, however, close again quickly and this is something we must guard against. The American elections are approaching, as is the new parliamentary term in Israel, and could prove to be a delicate issue.

As for the deadline of 13 September set in the Sharm el-Sheikh agreement for concluding Permanent Status negotiations, it cannot be postponed indefinitely unless the negotiations show some tangible sign of progress and the prospect of an early outcome. This exceptional opportunity must not be wasted. If the hope raised by Camp David is to be made reality, the parties must, first and foremost, continue to be involved and to demonstrate the same commitment and will as they have shown hitherto. Their leaders must make difficult and courageous decisions and everything must therefore be done to encourage the parties to continue unwaveringly along the path which they have taken in a bid to conclude a global and final agreement.

The European Union is prepared in this context to do whatever it can to guarantee that the efforts being made will be successful. There are several aspects to its role, which it intends to continue to play in an active and constructive manner: encouraging the parties, helping to find solutions, supporting the implementation of agreements. The Union never misses an opportunity to reiterate the importance of international legitimacy, its concern to see the United Nations resolutions applied, the basic principles which inform the peace process and its determination to encourage the parties to continue with the peace process through close, regular political dialogue with all the parties in the region.

You yourself, Madam President, noted the extent to which European positions are listened to and anticipated, scrutinised, dissected and judged sometimes as too timid, sometimes, on the contrary, as too energetic or ill-timed but, on balance, always as constructive and balanced when you visited the Middle East at the beginning of the year. You also noticed how just how strong expectations of Europe still were. It was this concern to affirm the role of Europe and meet the parties' expectations which prevailed when a special European Union envoy was appointed back in 1996. Ambassador Moratinos – whom I greet and who has held this post for the last four years – has managed to give Europe a profile in the Middle East by cultivating daily contacts with all the leaders in the region.

This role of supporting, facilitating and mediating, which complements that of the United States, is coupled with a contribution to the collective debate to find new ways forward, break certain taboos and propose compromises. The 1999 Berlin Declaration and the 1980 Venice Declaration are an expression of the remarkably unified views of the European partners and act as reference texts which have, I am sure, opened the way to historic compromises between the Israelis and the Palestinians.

Finally, Europe has developed a cooperation policy with all the countries in the Middle East in a bid to create the right conditions for harmonious economic and social development and, at the same time, strengthen regional integration, which is crucial if peace is to gain a permanent foothold. As a result, as you all know, Europe has underwritten nearly half the financial commitments to international aid to Palestine since 1993. It is, of course, and I should like to stress this point, prepared to help with the full implementation of the agreements that have been concluded when the time comes.

It is still, without doubt, too early to discuss what an agreement on the Permanent Status of the Palestinian territories might look like; in any event, it will be solely up to the two sides to define this status through negotiation, which is the only admissible method. However, the Camp David discussions give us an initial idea of what the outlines of a future agreement may be. I should like to say in this context that, in our view, a Palestinian state will inevitably emerge, but it must be a viable, peaceful and democratic state. It is the natural concomitant of the Palestinians' inalienable right to self-determination and I am convinced that it is also the best guarantee of security for Israel.

This right to a state and, hence, to proclaim statehood must not be subject to any veto. However, as the European Union has already stated, it would obviously prefer a Palestinian state to emerge from a completed process of negotiation. But, as you know, it does not stipulate that this is a condition. Its position on this question is as stated in the Berlin declaration of March 1999.

But all the efforts planned at the present stage, starting of course with the efforts made by both sides, must be geared towards concluding an agreement, an agreement which is, let me repeat, within arm's reach. As you may have noticed, even the Palestinians are now questioning the advisability, the conditions and, most importantly, the timing of their proclamation of statehood in the light of current developments. The exchange of views between the Ministers of Foreign

Affairs of the Fifteen during the recent informal meeting in Evian, which I referred to earlier confirmed that the European approach in support of the peace process hitherto is the right one.

The urgent need for a decisive breakthrough on the Israeli-Palestinian front should not, however, distract us from the other aspects of the peace process, and it is this that forms a coherent global issue to which a universal, lasting settlement must be found. An Israeli-Palestinian agreement is indispensable. It is vital but it alone cannot guarantee peace and stability in the Middle East. In addition, it is time, as the President of the French Republic recently stressed, for Syria and Israel to return to the negotiating table, given that the present status quo is in the interests of neither country. Every effort should therefore be made, as quickly as possible, to broker an agreement between Israel and Syria and between Israel and Lebanon.

In this respect, there are prospects despite the contrasts in the present situation. Israel's withdrawal from southern Lebanon on 24 May of this year put an end to 22 years of occupation and, as a result, 're-dealt the cards', as it were. This withdrawal, which was certified by the Secretary-General of the United Nations on 16 June, is a positive factor on more than one count. First, it marks the implementation, the belated but full and unconditional implementation of Security Council Resolution 425 and therefore represents undeniable progress in this respect. It went through under less inauspicious conditions than might have been feared and, more to the point, was not accompanied by the dreaded outbreaks of fresh violence. We really must highlight the sense of responsibility which both sides demonstrated here.

So far, the difficulties have been overcome and it has been possible to implement the provisions of Resolution 425. The question of Israeli incursions along the blue line was settled after two months of wrangling. On 27 July, the Security Council adopted Resolution 1310 extending the UNIFIL mandate for a further six months. On 5 August, the Lebanese Government agreed for the force to be redeployed in the former occupied zone and, since then, UNIFIL has set up a number of permanent posts in the zone and taken up its position along the Israeli-Lebanese border. At the same time, the Lebanese Government went ahead on 9 August and deployed a mixed force of 1 000 men, 500 soldiers and 500 policemen in the former occupied zone whose mission is to maintain public order within Lebanon itself, but not to engage in any kind of border surveillance, despite its responsibility to do so.

The redeployment of UNIFIL and the Lebanese Government's dispatch of a mixed security force to the south are, in our view, positive developments. The situation along the border with Israel is, however, still volatile. Incidents flare up along the blue line from time to time but have been relatively minor so far. It is therefore in the interest of all the parties to avoid any incident which might provoke an escalation.

The Lebanese Government therefore needs to accept all its responsibilities here in order to create the conditions needed so that UNIFIL can exercise its mandate in full. The situation in southern Lebanon can only be stabilised if this region, which has suffered enormously from the occupation and the war, is rehabilitated and reintegrated into Lebanon's economic and social fabric. The European Union is of course more than ready to help reconstruct southern Lebanon as soon as conditions on the ground allow. It intends to give very precise expression to its aid to Lebanon at the donors' conference for the reconstruction of southern Lebanon which is scheduled for the autumn under our presidency. Here too, the withdrawal of Israel from southern Lebanon and the gradual restoration of Lebanese sovereignty in the area are steps in the right direction. In addition, the changes taking place in the region give cause, we hope, to anticipate a gradual change in relations between Syria and Lebanon; here too the situation is no less volatile and we are convinced that only an Israeli-Syrian agreement, in application of Security Council Resolution 242 and the principle of land for peace, will allow fair and lasting peace to be established in the region.

We must admit that circumstances do not appear to augur well for the resumption of negotiations between Israel and Syria, at least not in the short term. The positions of the two sides, which we are all aware of, are still irreconcilable at this stage, even if the gulf between them does not appear as wide as on numerous aspects of the Israeli-Palestinian conflict. In addition, the internal agendas of the Israeli and Syrian leaders appear for the time being to be monopolised by other political preoccupations, although the strategic choice of both sides is for peace, as was recently reaffirmed at the highest level. During his investiture address on 7 July, President Bashar al-Assad indicated that he was anxious to conclude an agreement with Israel, reiterating that everything was negotiable except the line of 4 June 1967. Ehud Barak, for his part, called on Syria to conclude what he called a 'peace of the brave', an expression with which we concur. There is therefore cause to hope that they will return to the negotiating table during the months to come.

My reading is that recent developments in the region are not linked solely to developments in the peace process, even if it does play a vital part. Although still inadequate, regional integration is progressing slowly but surely. It comes first and foremost within the wider context of the Barcelona Euro-Mediterranean process, which is an expression of the European Union's wish to develop a global strategy for this region which is so close to and so inextricably bound up with us. A free trade area is being set up with the Union, to include all the countries of the Middle East and should – in fact we are sure that it will – help these economies to liberalise and modernise and integrate into the world economy. Association agreements have already been signed with Jordan, Israel and the Palestinian Authority and an agreement should soon be signed with Egypt. Negotiations are under way with both Lebanon and Syria.

There is no doubt that, in its political dimension, the Euro-Mediterranean process, with the draft charter for peace and stability, not only economic but also social and human stability, will help to construct the 'post-peace' Middle East, the Middle East which we all wish for, because there is no alternative to the peace process which has now entered what we hope and believe to be a decisive stage. Europe has followed the lead of the rest of the international community, especially the United States – and I shall end here Madam President – and intends to do everything to facilitate the decisions incumbent upon the main players, i.e. the Israelis and the Palestinians, who are answerable to their people and to posterity, and to foster the emergence of peace, a peace which we have waited so long for, wished for so hard and which is now within our grasp.

2-013

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**President.** – It is a great honour for me to welcome Mr Avraham Burg, the Speaker of the Knesset, and Mr Abu Ala, the Speaker of the Palestinian Legislative Council, to the official gallery.

*(Applause)*

Gentlemen, your joint presence in our House and the addresses which you will shortly give are a highly symbolic gesture. I am sure that the debate which you are about to hear will give you an idea of the friendship which our Parliament feels towards your peoples and of just how concerned we are to see fair and lasting peace established in your region.

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2-014

**Patten, Commission.** – Madam President, I should like to begin by associating the Commission wholeheartedly with the moving remarks that you made yesterday about terrorism and about the courage of those who have been martyred for democracy and also with the remarks made this morning by Members of this House.

I should also like to say what an honour it is to discuss the question of a peace settlement in the Middle East in the presence of some of those who have it in their hands to bring about this historic development. Naturally I very much agree with what the President-in-office has just said. I do not intend to repeat all his arguments save, perhaps, to make one or two personal reflections on some of the comments the President-in-office has made and to add one or two other points, principally on economic issues.

The Camp David summit, whilst it did not manage to achieve a final settlement, did, as the President-in-office said, mark enormous progress. I am sure we would all want to pay tribute to the skilful and persistent diplomacy of President Clinton and Secretary of State Madeline Albright. Camp David helped to narrow the gaps between the parties to the dispute. It helped to address and indeed to remove some long-standing taboos, for example, on the intensely difficult historical issues surrounding the status of Jerusalem.

Having travelled as far as that, it would obviously be a tragedy if the opportunity for peace that now exists more than ever before were to be wasted. We stand ready, as the President-in-office has indicated, to help move things forward in any way we can and we are ready to do what we can to secure a settlement. It is a great pleasure to see our own representative, who has done so much to ensure that the European Union's presence in the region is felt.

With time moving relentlessly on, there has inevitably been a growing amount of talk about Palestinian statehood. The Berlin European Council Declaration remains the position of the European Union. President Arafat has received wise advice to postpone the planned declaration of an independent Palestinian state on 13 September.

I want to repeat what was said in the Berlin European Council Declaration last March, that the European Union is convinced that the creation of a democratic, viable and peaceful sovereign Palestinian state on the basis of existing agreements and through negotiations would be the best guarantee of Israel's security and Israel's acceptance as an equal partner in the region. That is our position.

As far as Syria is concerned, everyone recognises that President Bashar al-Assad needs to consolidate his position. However, here too the differences with Israel are narrow and we think they could be bridged. We will continue to do all we can to achieve this. We have a key role to play in Syria in terms of actively encouraging economic reform and modernisation in the interests of Syria and in the interests of regional stability. I had an extremely good visit to Syria, albeit too brief, earlier in the year, at which we significantly moved forward our dialogue on economic issues and on the assistance we can provide. We want to respond to further requests from Syria for assistance in the reform process. We will also be prepared to support strengthening of the rule of law, human rights issues and political pluralism.

As far as South Lebanon is concerned, there remains an enormous amount for Europe to do, not least as part of the Euro-Mediterranean partnership. The European Union will assist with the reconstruction of southern Lebanon as soon as the Commission conditions permit. The Lebanese Government must maintain order in the south and in addition it must translate its generic aid requests into concrete and realistic proposals. We will outline our strategies as soon as these conditions are met and, as many Members know, we have had an assessment mission in the area to see exactly what we can do on the ground as soon as possible. It will not surprise the House to know that we intend to work in areas like mine clearance where we have so much experience, areas which are vital to the restoration of normal economic life and decent social conditions in South Lebanon.

At the same time as we are preparing for a possible role in implementing any peace agreement, we are also focusing on the regional scenario after a peace settlement. When conflict is a thing of the past, it is important to recognise that a peace settlement would transform everybody's prospects. Sustained economic growth and economic stability are the keys to regional peace and consolidation of that peace in the years ahead. People are more likely to support peace if they feel that their living conditions are improving.

However, at present, economic growth is stagnant, and unemployment is distressingly high, over 15 to 20% overall. Disparities are growing both within the region and, as was said in the debate that we had yesterday on MEDA, between the region and the European Union. In addition, the regional labour market will come under strong pressure because of high population growth resulting from the welcome incorporation of more women into the labour market and the future integration of Palestinian refugees into the economies of the region.

Regional prosperity, therefore, depends on serious efforts to promote economic growth. Private investment will play a central role in that, but public investment will continue to be important, especially regarding economic transition, including harmonisation, internal liberalisation and regional cooperation, stabilisation and regional infrastructures.

I referred to the interesting debate that we had yesterday evening on MEDA and our attempts to speed up and simplify the regulation so that we can deliver our assistance in the region much more rapidly. It is important to remember what the scale of that assistance is. The European Union as a whole, the Commission, Member States, and the EIB, are responsible for about 50% of all the economic assistance in the region. The Commission and the EIB are responsible for about half of that 50%, so we are responsible for about 25%. Over the last few years our assistance in the region has been averaging about EUR 800 million, that is from the Commission and the EIB, about EUR 450 million from the Commission and the rest from the EIB. That is a substantial investment in the future prosperity and well-being of the region, but I am still seeking to ensure that the resources available are spent more effectively and more rapidly.

I said yesterday that the Commission would be holding discussions this week, and I hope it is not presuming on its collective wisdom to say that we will be able to publish our proposals later this week. We are discussing a Commission communication on the revitalisation of the Barcelona process, which everybody recognises to be extremely important. In that document we will be stressing the vital significance of greater regional cooperation and more trade and cooperation between the countries to the south and not just between Europe and the countries of the South. I hope that the document and its implementation will help to consolidate political developments in the region.

I repeat: this is clearly a historic opportunity to secure a peace that would bring prosperity as well as stability to our neighbours to the south. We stand ready to help them in every way we can, politically and economically. We stand ready to help them both to achieve peace and to build on the foundations that a peace settlement would lay.

2-015

**Galeote Quecedo (PPE-DE).** – (ES) Madam President, since the creation of the State of Israel, we have surely never been so close to a lasting and stable peace agreement in the Middle East. The differences between the parties, however, have probably never been so profound.

The withdrawal of the Israeli troops from southern Lebanon, the will demonstrated by the new Syrian President and the clear progress made at Camp David – as has been mentioned here this morning – seem to offer us a panorama in which peace is actually within reach. However, there are still potential pitfalls, which remind us that, we are as close to taking advantage of this historic opportunity as we are to the black storm clouds that will descend upon the region should the negotiations fail.

What can we in the European Union do? Of course we offer our services by means of the European Union's special envoy, Ambassador Moratinos, whom I welcome. We undoubtedly offer a guarantee in terms of the future economic development of the region, which would no doubt result from the peace agreement, through our cooperation and investment, as Commissioner Patten has correctly reminded us. We encourage the opposing parties to persist courageously with the negotiations, ignoring the most pessimistic, sometimes threatening, voices, which sometimes emerge from their respective countries.

We are grateful for the summary of the facts, the information communicated to us this morning by the Council and the Commission, and their good will. However, we should ask ourselves whether this is worthy of the responsibility and aspirations of the European Union on an international level.

To speak with one voice, to aspire to a leading role not only economically but also, surely, politically, demands more of us. No group is offering greater support than the European People's Party to the governments promoting the peace process, especially to the United States. No group is forcing itself to act with greater prudence than we are at this critical moment.

From this point of view we propose that next year, when we celebrate the tenth anniversary of the Conference which gave rise to this peace process, the European Union should once again bring together, in a repeat of the Madrid meeting, the leaders who participated in that Conference. Meanwhile, we should reaffirm the European Union's full commitment to the peace process and our willingness to honour our historic, economic and also political responsibilities in the region.

2-016

**Barón Crespo (PSE).** – *(ES)* Madam President, first of all, I would like, on behalf of my group, to welcome the President of the Knesset, Avraham Burg, and the President of the Palestinian National Council, Mr Abu Ala, who are present in the gallery, and whose interventions we will listen to with great attention.

The presence of these two distinguished persons indicates that the peace process is not purely a process taking place between governments. It is a process taking place between peoples and between parliaments, which democratically represent those peoples.

I would ask the two Presidents to deliver a message to their people: they have come here and they have seen how the representatives of peoples who have been age-old enemies and who have waged war for centuries, can work together and in peace, and can share values. I believe that this is the fundamental message we can offer you.

I would also like to point out that, as well as the effort being made in terms of negotiations between the governments, which we must support, my political family, the Socialist International, is also trying to support and promote this process because both the Israeli and Palestinian leaders belong to our family and we feel profoundly committed to them.

We agree with the exhaustive analysis of the situation made by the President of the Council and I would simply like to repeat the message, to our friends from the Middle East, that we are committed to the peace process and to its development since the Sharm-el-Sheikh agreements, which led to the last major debate in the European Parliament.

We are approaching a deadline. We Europeans understand the importance of deadlines and the need to pull out all the stops when deadlines approach, but we believe that the important thing at the moment is for both parties to persevere. We welcome the efforts of President Clinton and Secretary of State Albright. We consider ourselves to be committed to this process, and we welcome the presence here today of that tireless pilgrim of peace, Ambassador Moratinos. Above all, I believe that we should point out the importance of what is at stake at the moment because, until now, there had been no real negotiation of the situation of the Palestinian refugees since 1948, the continuation of the Israeli settlements and the establishment of definitive borders. Those are the very important and thorny issues which must be dealt with. Another very important issue is the status of Jerusalem, which requires a compromise. It is not only a political problem. It is a cultural, historical and religious problem. Therefore, there is no room for a solution based on exclusive claims. As some experts have said, on religious issues there are no half measures, but, if we are talking about the religions of the Book, which preach the love of God and our fellow man, it must be possible to find a solution between people. Where Holy Places are concerned, there is no room for solutions based solely on sovereign rights and it is very important to take proper account of the various international formulae: I believe that the mediation of certain Arab countries, who are closely involved, may be of help.

Lastly, Madam President, I believe that, from the point of view of European Union action, we must try to strengthen the Euro-Mediterranean process, bring Syria out of its isolation, strengthen the process in the whole of the region and, above all, send a message to the Middle East which indicates that the European Union, as a union of age-old enemies, wishes to participate fully in the creation of a shared peaceful future in the Middle East.

2-017

**De Clercq (ELDR).** – *(NL)* Madam President, for lack of time, I shall merely focus on the relations between Israel and the Palestinians.

We all very much regret that the Camp David negotiations came to nothing. This was most probably down to the fact that the time was not quite ripe for an agreement, as a result of which the gap between both parties could not be narrowed or could not be narrowed sufficiently at any rate. We live in the hope, however, that a new foundation will be laid after a period of contemplation and reflection, so that we can pick up the peace process once again and herald a new era.

Indeed, we now have to ensure that the negotiations are resumed as quickly as possible. Needless to say, the international community needs to lend a helping hand, together with the Arab States and the Muslim community.

As far as the European Union is concerned, we hope that it will speak with one voice and assume a more pro-active role – and I particularly refer to a more pro-active role in the political field – and will thus contribute to the peace process. The EU owes this much to both parties and to the international community. It is evident that, meanwhile, unilateral action from either side is to be discouraged, as this could well harm future negotiations. We cannot tolerate violence in any form. The negotiations must be resumed by means of an open, direct and genuine dialogue, and Europe has a major part to play in this!

2-018

**Gahrton (Verts/ALE).** – (SV) Madam President, I have been present in Jerusalem as a provisional member of Parliament's delegation for relations with Israel. We met reasonable representatives of the Israeli Government but also, among the members of the Knesset, a dismaying number of implacable fanatics who maintain that Israel has all the rights and the Palestinians none at all. It was therefore good that the Council's representatives made it clear that the EU backs all current UN decisions. What, then, do these decisions imply? Well, they say that there should be Jewish and Palestinian States in the area, that the *whole* of Jerusalem should be an international area, that all Palestinian refugees should be allowed to return home and that Israel should leave those areas which it has occupied.

It may therefore be noted that Israel is right in one respect, namely that there is to be a Jewish State. That is what no-one now questions but, when it comes to all the important questions in the peace negotiations – that is to say, Jerusalem, the refugees and territorial considerations – the Palestinians in fact have international law on their side. At the same time, everyone appreciates that the UN decisions cannot directly be implemented by peaceful means. Israel is opposed to this.

The Palestinians are prepared to compromise. They are not demanding west Jerusalem. They appreciate that Israel cannot receive between five and six million Palestinian refugees. The Palestinians are prepared to make concessions over territory. They are making concessions, which is splendid and necessary, but the Palestinians and Arafat cannot make large concessions of any kind without a revolt in their own ranks. It is therefore important that the EU should stick by the Berlin decision to recognise a Palestinian State without conditions as soon as the Palestinians see fit to declare such a State, to which they are entitled.

Israel has the military power and US backing. The Palestinians do in fact have international law on their side. Let them also have the European Union's full support, in the same way and to the same degree that the United States supports Israel. Let the EU act as a sponsor for the Palestinian State, that is to say the democratic Palestinian State. This would also raise the EU's standing in the world.

2-019

**Wurtz (GUE/NGL).** – (FR) Madam President, my group asked for a major debate on the situation in the Middle East to be included in this part-session. It also suggested that high-ranking Israeli and Palestinian leaders be invited jointly to the European Parliament. We are therefore delighted by the initiatives taken in this direction and warmly welcome the speakers of the two assemblies who have honoured us with their presence.

At a time which everyone senses is decisive, what useful message can we Europeans send out to the peace process today? I tend to agree with what the President-in-Office said on the subject. The first message, to my mind, concerns the issue around which the entire process turns, i.e. the Palestinian State. I think the time is right to clearly reiterate the terms of the unequivocal declaration adopted by the Berlin European Council in March 1999, in which the Fifteen stated that they were ready to recognise a Palestinian State.

Did Europe's recognition of this inalienable right lead the Palestinians to proclaim statehood without further ado? On the contrary. It fostered the sovereign and responsible decision on the part of the Palestinian leadership to postpone the deadline and I am convinced that it is prepared to postpone it by a few more weeks to give negotiation a chance if it feels, between now and 13 September, that we are on the brink of an overall peace agreement. So let the European Union clearly reaffirm the position which it took in Berlin and encourage the Palestinians to make precisely this gesture.

In the same spirit, Europe's second message, in my view, should consist of a reminder of the basic principles from which negotiations can and should develop, i.e. the relevant resolutions of the United Nations, especially those relating to the withdrawal of Israel from all the occupied territories, including East Jerusalem, or the right of refugees to return or receive compensation. This sort of reminder would not in any way close the door to the compromises needed. On the contrary, it would make the sovereign Palestinians responsible for seeking original, mutually acceptable legal formulae, together with the sovereign Israeli negotiators, on the basis of the principles recognised by the entire international community.

I think that Europe's third message should contain a guarantee that the future global agreement will be implemented to the end, unlike – alas – all the partial agreements which have succeeded each other since Oslo. The United States alone cannot provide this guarantee. No one today knows the intentions of the future leaders of the Israelis and the Palestinians. The

European Union is therefore a unique guarantor, alongside the United States and Egypt, as the representative of the Arab world, that the commitments made will be honoured faithfully and to the letter. These are the three wishes of my group with the hope that, as a result, *Yerushalaim*, which means in Hebrew: peace will appear.

2-020

**Collins (UEN).** – Madam President, thank you very much indeed for arranging this very important debate at this particular time. I also wish to warmly welcome to our Parliament the Speaker of the Knesset, Mr Avraham Burg, and the President of the Palestinian Legislative Council, Mr Ahmed Qurie.

Like many people, I too, Madam President, was disappointed that the recent Middle East peace talks in Camp David did not culminate in a peace settlement between the Palestinians and the Israeli Government. However, I do not believe that these peace talks were a complete failure either. We should fully recognise that the Palestinians and the Israeli Government are now negotiating on bottom line issues, including the status of Jerusalem, the borders of the Palestinian State, the fate of Jewish settlements and the right of return of Palestinian refugees. I very much hope that the Middle East will resume peace talks in the near future.

I appeal to the key parties involved to strive in good faith to lay down a negotiated settlement based on existing agreements. Permanent status negotiations resumed in September 1999. It was always going to take time to tease through what were very difficult, delicate and sensitive political matters. EU Heads of State have affirmed on a number of occasions that the security of the Israeli and Palestinian people both collectively and individually must always be protected. I support the principle of exchanging land for peace and the continuing and unqualified Palestinian right to self-determination. I believe that the best way to address this latter issue is through negotiation.

I am calling on the Israeli Government and the Palestinian leadership to take the necessary steps to re-establish mutual confidence, accept the need to make concessions and focus on the overriding goal of achieving lasting peace and stability in the region. The peace talks between Israel and the Palestinians are not the only matter up for discussion within the Middle East. It is important that negotiations between Israel and Syria should resume quickly and that the Lebanese track of the Middle East peace process should also be addressed.

In this latter regard, I welcome the fact that since the Israeli forces left southern Lebanon, the region has been very peaceful. There has been peaceful progress on the Lebanese-Israeli border since the Lebanese Government gained authority within the region, and we all must certainly welcome the fact that southern Lebanon is now at peace. In the overall context, securing peace in the Middle East is always going to take time. The first step in the current peace process was taken when Israel and Egypt concluded the Camp David peace treaty in 1979. It took another twelve years before a comprehensive peace process got under way with the Madrid conference, which enshrined the land for peace principle. We can all take solace from the fact that the key protagonists in this difficult political equation are now addressing the most vexed and thorny bottom line issues that have to be resolved if a permanent peace agreement is to be put in place in the Middle East.

2-021

**Bigliardo (TDI).** – *(IT)* Madam President, we are witnessing a farce which bears great resemblance to the affair of Penelope's tapestry in Homer. Whenever it comes to defining the conditions of autonomy, invoked and recognised by the Palestinian State, fresh political and geopolitical issues are introduced which prevent a final solution being found to this long-standing problem.

In fact, while President Arafat is laboriously putting together a tapestry which is as useful as it is valuable for the Palestinian people and for a stable balance in the Middle East, each night, someone persistently ruins the day's achievements. Therefore today, everyone verbally acknowledges the wisdom of President Arafat who, in spite of the continued provocation suffered by the Palestinians, continues to indicate that he is open to dialogue, by adhering to the provisions of all the treaties, for example, or by putting off the date of the declaration of independence of his State, staunchly overcoming the problems caused by these decisions within his State.

The same cannot be said of other areas, and I refer to Israel where right-wing sentiment is wont constantly to upset the internal political balance, forcing Europe and the United States each time to make huge diplomatic efforts to postpone implementation of the treaties.

I do not think it would be going too far to say that all this is partly due to the approaching American elections, which cannot and must not stop the world achieving a stable balance. Europe can now, at last, play a decisive role in this matter which has for far too long come before the rights of the Palestinians the interests of the Israelis and the many lobbies which have no interest in resolving the age-old Palestinian question.

Let Europe therefore intervene with greater determination and take the appropriate steps to avoid the excessive amount of postponements, the deliberate hesitations and the intentional time-wasting giving rise to alarming extremist positions

which – believe me, Madam President, ladies and gentlemen – will not help the Middle East question, Europe or the world as a whole.

The Palestinians are not asking for the whole of Jerusalem: they are asking for a symbolic part of a capital city which would be tangible, rather than merely verbal evidence of the rights of a people to a country of their own. I welcome the representatives of the parties in question, who are in this Chamber, and I will listen to what they have to say in a short while with great interest. I call upon Parliament to take up a strong, driving position which will greatly further peace in the Middle East.

2-022

**Belder (EDD).** – (NL) Madam President, I have very mixed feelings about the peace talks that have been broken down at Camp David. In any case, the extreme time pressure which the participants were under did not serve any immediate purpose. In fact, I wonder what use this “diplomatic pressure cooker” approach has in terms of the final stage of the peace process in the Middle East? It is a tough peace process that needs to provide a lasting solution to the lengthy and complex conflict between the Israelis and Palestinians and between the Israelis and Arabs respectively.

Public opinions on the Israeli and Palestinian sides – invisible yet very tangible – were also very much a player within Camp David. It is exactly because of this key factor on the home front that third parties, whether they are referred to as peace brokers, such as President Clinton, or very committed subsidiary parties to the peace process, such as the European Union, need to guard against exercising excessive pressure in the shape of a punishing time schedule. Is there not a task here for the EU, namely to urge all parties involved to keep the so-called “windows of opportunity” open for as long as possible?

However, my mixed feelings about the failure of Camp David are mainly generated by the uncompromising attitude adopted by the President of the Palestinian Authority, Mr Yasser Arafat, and the enthusiastic response he received to this at home. The home front hailed him in the Gaza Strip as the ‘Palestinian Saladin’, complete with flags and banners. In popular speech, Arafat has inherited this dubious Arab title of honour from Saddam Hussein.

It is exactly this Palestinian homage *after* Camp David 2000 which shocked Amos Oz, a recognised Israeli champion of peace and noted author. He put his bleak state of mind into words this summer in a probing newspaper article. "I am sitting in my front room in front of the television and am watching the tremendous reception which Yasser Arafat is being given in Gaza just because he said ‘no’ to peace with Israel. I watch in silence and amazement and I am reminded that the real Saladin made a solemn pledge to the Arabs never to make a pact with non-believers. He would kill them en masse and throw them into the sea. I can see Arafat in his grey-green military outfit. An Arafat, dressed as Che Guevara and greeted as a Saladin: it breaks my heart”.

The author moved on to a crucial topic within the Israeli-Palestinian peace negotiation: “the right to return”. Earlier this week, Arafat reiterated this Palestinian political claim in the context of the meeting of the Arab League in Cairo: “We will not accept an agreement without obtaining all the rights we are entitled to pursuant to international resolutions”. So this includes UN Resolution 194 which stipulates the right to return on the part of Palestinian refugees.

Madam President, I am also keen to give you Amos Oz’ view of this increasingly poignant historical burden. In his opinion, this “right to return” is nothing more than an “Arab euphemism” for the liquidation of Israel. In the same breath, Oz adds that he is more than happy to grant the Palestinians the “right to their free and independent Palestine” but that this should not be at the expense of the existence of the Jewish State. This is a view which will hopefully give Western politicians food for thought.

In the foregoing, my aim was certainly not to trivialise the suffering of the Palestinian people. I wish them a life in peace and freedom with all my heart. However, this peace and freedom cannot be brought about if it is at the expense of other peoples’ safety.

Madam President, as a representative of a Christian political party, I am not an unquestioning defender of Israel’s political interests. This is a task which Israel’s leaders and citizens are more than capable of handling themselves. In accordance with the Bible, God’s word, I consider the Jews as His chosen people, upon which lies the divine duty to be a “beacon for all peoples”. Only in religious compliance with this requirement is a true Israeli-Palestinian settlement possible, on the basis of justice from Above.

2-023

**Sichrovsky (NI).** – (DE) Madam President, Europe has a special historical responsibility for the peace process in the Middle East. This means proceeding with great sensitivity and not taking a schoolmasterly line or apportioning blame to one side alone. The fact that the Foreign Minister himself responded to the last peace negotiations by stepping down, serves as a reminder to us that above all in Israel, which is the stable democracy in the region, every step taken by the politicians must have the backing of the majority of the Israeli people.

Nevertheless, we would do well not to forget that for all the fine words uttered, the crucial negotiations for peace in the Middle East take place in the USA and not in Europe. Perhaps those EU politicians whose brief it is, have so far been unable to find the right way to act as genuinely neutral and productive mediators in this conflict.

2-024

**Dimitrakopoulos (PPE-DE).** – (EL) Madam President, Mr President-in-Office, Commissioner, this is not the first time that the House has concluded that the situation in the Middle East is critical. It is critical both for the Middle East itself and for the European Union because, apart from all the important issues which the peace process encompasses, it represents a new challenge for the common European foreign policy. In other words, the European Union must play a more active, more systematic and more intensive role in projects in the region and, of course, in the peace process.

There are precedents for this. Let us not forget that the highly important UN Resolution 242 was devised mainly by Europe. So, to pick up on something very important which Mr Patten said, peace is not enough, we also need to monitor what happens, to see what the scenario is once an agreement has been reached, I think that the European Union should review its presence and involvement in the region.

Thus, as well as the special envoy, I think that the time has come for the European Union to set up a task force consisting of representatives from the Commission, the Council and, yes why not, the European Parliament – after all we have two eminent parliamentary representatives from countries in the region here today – to work out detailed proposals and positions on specific issues being addressed during the current peace process and on any issues which we need to bear in mind in the period following the agreement.

2-025

#### IN THE CHAIR: MR DAVID MARTIN

*Vice-President*

2-026

**Napolitano (PSE).** – (IT) Mr President, I too would like to welcome the Speaker of the Knesset, Mr Burg, and the Speaker of the Palestinian Legislative Council, Mr Abu Ala. I feel that this debate, from the Council statement to the speeches made by Mr Moscovici and Commissioner Patten and the majority of the other speeches, has shown that Europe is of one mind regarding this extremely sensitive period following Camp David.

I am sure that we all see that phase, or in any case a change in the situation as very important, and I am sure that the situation has not been compromised, although we realise that, if change does not come about, there is currently a serious risk on both sides that the extremist tendencies present in the two camps may prevail.

My opinion is that if we analyse the situation in the region thoroughly – and we have, indeed, talked about the withdrawal of Israel from the Lebanon, the situation in southern Lebanon and developments in Syria – we find that we are in agreement on this matter as well: I feel that this debate is evidence of the convergence of our views – of the agreement of Parliament, the Commission and the Council on the matter – and that Europe has already made a contribution. The quality of its performance is debatable, but Ambassador Moratinos' role in the region and the Council resolutions have certainly been effective. I have to give credit to Commissioner Patten, for his presence in the area and also in Syria – we were able to go to Syria when his mission was finished – had a lasting influence on the development of the situation in Syria.

We can draw encouragement from all this and from the continuing work of the Clinton government on this initiative. Nevertheless, I do feel that, today, without professing to be telling anybody what to do and in respect for the two interlocutors and their positions, we should be asking ourselves what we can contribute. I would like to end by suggesting that we could use regional cooperation as a solution to make a European contribution right now before the peace process comes to an end.

2-027

**Ries (ELDR).** – (FR) Mr President, will the United Nations Millennium Summit which took place this week be the last chance summit? I see it rather as yet one more chance for peace in the Middle East. Six weeks after talks broke down at Camp David, Bill Clinton is due to meet Ehud Barak and Yasser Arafat in New York tomorrow, after a month of intensive, albeit less media-attracting negotiation. So hope of saving the peace process is not lost, even if it means setting aside the original timetable and, hence, avoiding at all costs any unilateral provocation which would ruin months of effort.

Everyone has his or her own interpretation of the outcome of Camp David and of the responsibilities incumbent upon either side. Discussions have certainly never progressed this far before. The gulf is still wide, although certain historical taboos have been broken. But that is not enough. We must now accept in our hearts what our heads have known and been dictating for a long time. This is the price for peace. To rely on the strength of symbols, on either side, is to hold on to a myth.

As for Europe, which intends to support the process, not to take sides, it hopes to be more, much more, than the region's banker. It is our historical and moral duty as well as our desire to become a full political partner very quickly, tomorrow if

possible, and the simultaneous presence here of Avraham Burg, the Speaker of the Knesset, and Ahmed Qurie, the Speaker of the Palestinian Legislative Council, both of whom I welcome, cannot but augur well in this respect.

2-028

**Morgantini (GUE/NGL).** – *(IT)* Mr President, I arrived back yesterday from Palestine and Israel, where over a thousand Italians – representatives of district, provincial and regional councils – have been spending a week building peace bridges between Palestinians and Israelis and setting up projects for cooperation with the Palestinian people.

Jerusalem is at the centre of the conflict, and it is one of the key factors in the peace process. For the Palestinians it is a town to be shared with East Jerusalem as the capital of the Palestinian State and West Jerusalem as the capital of the State of Israel. For the Israelis, before Camp David, no part of Jerusalem could be touched. Now the taboo has been broken. Yet the Israeli negotiators are still extremely uncompromising, for the problem is not that the Palestinians do not want to make concessions but that they have the right to the return of the territories occupied in 1967 which is enshrined in the UN resolutions. Since 1993, Jerusalem has been a closed city for the Palestinians.

As Commissioner Patten said, the Israeli Government has many times failed in its obligations following the Oslo negotiations: they have not adhered to the timetable laid down in the agreements for the withdrawal of troops from the occupied territories. For the Palestinians, the divided territories are a nightmare. There is no free movement and over a thousand prisoners arrested before 1993 have been held in prison as if they were hostages. Their imprisonment is a constant threat to the peace process.

However, a genuine tragedy for the peace process and the future of the Palestinian State is the continued increase in Israeli settlements: under the Barak Government, over 41 000 settlers moved into in the occupied territories. And I, together with the thousand Italians, saw these settlements expanding all over the place. This is a genuine crime against peace, but also against the environment and nature: just one example is the mountain of Jellab Edumin, a green hill outside Jerusalem which has been destroyed by bulldozers.

Another key factor are the refugees: they are not merchandise but human beings who want to realise their right or their dream to live in their own land or see it once again. It is makes no sense for them not to be able to go back: Palestinians, who were born there, are not even allowed to visit it.

Peace is necessary. It is on everyone's lips, but peace can only be achieved if each person is allowed to exercise his right of citizenship in his own free State. As Europeans, we must make every possible endeavour – over and above the economic efforts which we are already making, we must increase our political role – to ensure that the law prevails and that the Palestinians are able to live in their democratic State, which we must recognise as we recognise the Israeli State, so that Jerusalem becomes an open city, a city of the world, the capital city of two peoples and two States.

2-029

**Andrews (UEN).** – I fully endorse the statements by the President-in-Office and Commissioner Patten. I cannot understand how they have ignored in their contribution the conditions in which the people of Iraq now find themselves. The reasons for this are twofold: the continued dictatorship of Saddam Hussein and his oppression of Iraq's citizens and the continued imposition of sanctions of the most Draconian kind.

The war has always been about controlling oil and in my view little or nothing to do with Kuwait. As for weapons of mass destruction, I agree that somebody like Saddam Hussein should not have control of them, but there are others in the region who should not either. Look around the Middle East, and indeed the rest of the world, and what confronts us is an array of weapons of mass destruction, mostly supplied by the developed world, including the European Union. The market in weapons is now so competitive that some of the most horrific despots are getting bargain basement deals for weapons of mass destruction. It is a lesson to the Middle East that it is unwise to nationalise the oil industry. It must be asked where did Saddam Hussein get the weapons from before the Gulf War and where is he supposed to be getting them from now? I suggest that we should consider appointing a political envoy from the European Union to Iraq to see if we can broker some sort of peace, between the United Nations and Iraq, because the sanctions are genocidal in their effect.

2-030

**Cushnahan (PPE-DE).** – Mr Moscovici, Commissioner Patten, I also would like to be associated with the words of welcome to our honoured guests, Mr Ahmed Qurie and Mr Avraham Burg.

It is understandable that Palestinians feel that right would have been on their side in formerly declaring an independent Palestinian state on 13 September. They believe that the Oslo negotiations and the various Camp David discussions would have conferred legitimacy on such a step. However, it has to be recognised that even if negotiations had progressed so far that the declaration of statehood was non-controversial, the future of Jerusalem was always going to re-ignite controversy once again.

Jerusalem is the key issue and it needs to be looked at in a new light. It is a unique problem which requires a unique response. Jerusalem should not be regarded as an Arab city or a Jewish city, a Christian city or a Muslim city. Progress will only be made if it is agreed that it is a truly international city to which all traditions have a valid claim. The governance of this historic city must be removed from any nationalistic or sectarian, in the best sense of that word, spirit and this governance must provide for equal access and rule for all.

Just as we were delighted to remove Berlin walls in Europe, we do not want to see similar walls erected in Jerusalem. People from the furthest ends of the Earth have an affinity with Jerusalem and this must be recognised and honoured and not overlooked in the current negotiations.

With these few words, I would like to wish the discussions, if they do take place, all success and genuinely hope that they lay the basis for permanent peace in the Middle East.

2-031

**Caudron (PSE).** – *(FR)* Mr President, as far as the Middle East and the Israeli-Palestinian peace process is concerned, I have always counted myself among those in the House who say that it is up to the people of the region and their leaders to define the terms of their peaceful coexistence, just as it is up to them to make the efforts and sacrifices needed on both sides in order to do so. As a European, I set great store by the Euro-Mediterranean balance and if, like many others, I have somewhat regretted the European Union's lack of political clout in this process, I have likewise always refused to sit here in Parliament and play at being teacher, to coin a phrase.

Today, just a few days away from a peace agreement or a major crisis which could erupt in dramatic scenes of violence, we must give peace every chance to succeed by helping those on both sides who are taking huge collective and individual risks to bring about peace. That is why I am in total agreement with the position stated by Pierre Moscovici and what I would say today is that we shall not help to bring about peace by taking sides in the debate and in the difficult negotiations under way.

As I see it, therefore, in the short time left to us, our message to the Israelis and Palestinians should be simple and straightforward. It can be summarised in three points: we want a peace agreement in the Middle East, we shall support and guarantee a peace agreement once it has been signed and we shall use every possible means, including but not only financial means, to help ensure that it is implemented.

To conclude, we know full well that peace is always a difficult process. Europe, torn apart over the centuries, knows that better than most. Overcoming divisions and eradicating terrorism is easier to talk about than to achieve as we know only too well from the Balkans, the division of Nicosia and the bombs in the Basque country. And yet, peace is the only way forward, as the Israeli-Palestinian negotiators are well aware. So all we can say is, good luck, agree to peace and we shall be at your side, as we are now.

2-032

**Sbarbati (ELDR).** – *(IT)* Mr President, I would like to welcome the Speaker of the Knesset – whose acquaintance I made during a visit to Israel a very short while ago – and the representatives of the Palestinian Legislative Council.

We all deeply regret the partial failure of the Camp David discussions, although we would like to thank President Clinton and Mrs Albright as well, who put so much work and brainpower into the talks.

However, we feel – and here we agree with the report – that this peace agreement which is being drawn up has increased the possibilities and that there is a way forward.

We feel that everything that can be possibly be done now and in the future, including in terms of equal opportunities, must be done and followed up: the Palestinian people has the right to self-determination, without prejudice to the rights of the State of Israel.

There is one more point which deserves our attention, Mr President, which concerns the city of Jerusalem, which is one of the most sensitive elements in the issue. We must endeavour to preserve the religious, cultural and universal character of this holy city, and it must certainly not become the subject of haggling or the property of any one side. It has been proposed that it become the capital of both States. That would be ideal.

I would also like to touch on a personal, political consideration. Europe must make an additional effort, it must take further steps to gain and perform a political as well as an economic role. We cannot limit our concern to economic issues or matters of water, the sovereignty of Lake Tiberias and so on and so forth. We must not forget our political responsibility to history: the European Union has a responsibility as well as the Heads of the States of Israel and Palestine. Europe must become a political body and negotiate to achieve peace in this case as well, doing everything in its power to ensure that lasting peace is established in the Mediterranean.

2-033

**Mauro (PPE-DE).** – *(IT)* Mr President, I would like to reinforce Mrs Sbarbati's warning: right now we need more boldness. The European institutions need to be more courageous.

Together with the United States, the European Union now has the difficult and vital task of preventing either party from reverting to its past position and of assessing the possibility of finding a solution to the problems of the Palestinians and the Israelis.

With a view to this, I support Mr Galeote's proposal to hold a conference along the same lines as the Madrid Conference. I will illustrate the importance of this with a historical reference: in the 1980 Venice Declaration, proposed by Ministers Genscher and Colombo, the Community first of all established the need for a solution to be found to the Palestinian question through negotiations. At that time, Arafat was still regarded as a terrorist, he was barred from obtaining a visa to go to the United Nations headquarters in America and there was no general consensus regarding the diplomatic strategies to be adopted. Following his visit to Rome in 1982 for the Conference of the Interparliamentary Union, things at last started to move and not only did Arafat obtain his visa but – following the preparatory work carried out in Oslo – the United States started to play an active part in the Palestinian question.

Today, there is no question about the fact that the United States' activity is vital, but I do feel that the European Union also has a part to play and that it must not forget the past, not in order to claim any right to rule, but to regain its essential role which, as Minister Moscovici pointed out, complements the activities of the United States in the search for a solution to the matter, a solution which is still a long way off.

I would like to end with a reference to what is known as the International Statute of Jerusalem. By an International Statute I do not mean that the city would have an international administration, but merely that, as an international community, we must direct this initiative so that the statutory instrument – irrespective of who has territorial sovereignty over Jerusalem – commits all parties to a system of international control, so that every believer – whether Christian, Jew or Muslim – is, at last, guaranteed access to the holy sites.

2-034

**Menéndez del Valle (PSE).** – *(ES)* Mr President, Arabs and Palestinians have committed terrible historical errors and injustices, but they have also paid the price for them. For some time now, it is not the Palestinians who have been the most intransigent in the negotiations. Indeed, they have even given ground in the supposedly neutral area of basic concepts.

Given the cultural and religious importance of Jerusalem for the Islamic world, I believe that the Palestinian renunciation of all rights over that city – East Jerusalem – could lead not only to a backlash from broad sections of the Palestinian population against their own leaders, but also an international Muslim mobilisation against them.

Media and political circles are warning that the Palestinians could waste the historic opportunity of being able to negotiate with a Prime Minister such as Ehud Barak, who has dared to put the issue of Jerusalem on the table openly. Nevertheless, it is also the case, in my opinion, that Barak and the right-thinking political and social sectors in Israel could lose the excellent opportunity to negotiate with a leader such as President Arafat if they do not fulfil the minimum necessary requirements. In my view it is now necessary to adopt a formula which allows for this right thinking and I believe that the European Union is in a good position to contribute to this.

2-035

**Moscovici, Council.** – *(FR)* Mr President, I should like to thank the various speakers for their interventions and I should also like to welcome Avraham Burg and Ahmed Qurie, whom I have already had occasion to meet in Israel and Palestine. You have all naturally focused in your interventions on the peace process and the negotiations, which are without doubt the key to progress in this region of the Middle East. Allow me to repeat our point of view: Camp David created new momentum which clearly broke down the barriers. We are, in fact, facing an historic watershed, an unprecedented opportunity, because the present climate, this combination of circumstances, is exceptional. Each of the parties – and the American mediator, who is playing his part to the full – has an interest in reaching an agreement and is determined, I have no doubt, to do everything to bring one about. And so, I repeat, we have an historic opportunity to put an end to this conflict which has lasted so very long.

Having said which, every historic opportunity has its historic risk. Clearly, nothing is a foregone conclusion and additional efforts, imagination and courage are still vital. Equally clearly, time is running out. President Mubarak was in Paris at the end of last week and I think he used an excellent phrase which sums up the situation perfectly: 'peace is now or never'. What role, therefore, can the European Union play? What does this role involve? Several speakers welcomed the role of the European Union; at the same time, I rather had the impression from their interventions that they regretted that it was not a more active role, which is perfectly logical.

We can always wish for a more active Europe. I too wish for a more active Europe. The French Presidency has vowed to have a highly active Europe. It is in keeping with our historical approach and the way in which we intend to conduct the

mission incumbent upon us today. At the same time, however, you cannot rewrite history. Nor can you act against the wishes of the players themselves. In this respect, I note that it is the two sides themselves who have come to see us, who are requesting our help, our advice, our intervention and our assistance, and not just and not predominantly financial assistance. Obviously they feel that we are playing a useful part although I am also aware of the extent to which they are sometimes able to show us the limits of our role. So find ourselves between these two sides.

What does this role involve? It is exercised at three levels, as I have said. The European Union intervenes in support of the negotiations. It is in contact with both sides, through our intermediary, Mr Moratinos. It constantly encourages negotiation. It reiterates the principles of international law, which all of us, especially we Europeans, live by. Secondly, the European Union makes a contribution to the debate on issues connected with the negotiations. But here too, and this brings me back to the same point, both sides must want and ask for our contribution and sometimes we witness the sort of role-playing here with which we are all familiar. And thirdly, we help to implement the agreements that have been concluded, as and when this occurs.

I think that we should already start to think about the Middle East which will emerge once there is peace, peace which we hope for and believe possible for tomorrow. Whether or not this peace will last will also depend on how we go about strengthening ties between the countries in the region and developing their ties with us. What can the European Union do in this context? There is all the action which Commissioner Patten summarised. There is also the Barcelona process, which offers us a particularly suitable framework, provided that we make full use of its potential. It is this Barcelona process – and this brings me to the end of what I have to say – which the presidency wishes to leave its mark on and to start on at the forthcoming Barcelona IV meeting.

I heard a call for a summit meeting here. What we are planning at the moment is a ministerial-level meeting. We sincerely hope, however, that developments in the peace process will make it possible to hold a meeting not just at ministerial level, but also at Head of State and Government level in order to set the seal, as it were, on the emergence of a new era in the Middle East. This is where the presidency, with the Commission and, I am sure, with Parliament's support, will be concentrating its efforts in the weeks and months to come.

2-036

**President.** – That concludes the debate.

2-037

### EU external action priorities

2-038

**President.** – The next item is the Council and Commission statements on the European Union's external action priorities.

2-039

**Moscovici, Council.** – (*FR*) Mr President, Commissioner, ladies and gentlemen, the European Union, as our debate has just demonstrated, is perfectly qualified to take on the role of a full, influential and respected actor on the international political stage. Our democratic values, our common will to foster peace and security in the world and our history guide us towards such a role. The Community's economic clout, its primary role in promoting development, and its privileged links with numerous countries or groups of countries also allow us to take on such a role. Finally, the instability of a fast-changing world, sometimes at the Union's very door, actively encourages us to take on such a role.

That is why the French Presidency of the Council intends to continue the efforts made over recent years and help to promote the Union's international profile. I should like to explain briefly the four main objectives which we have set ourselves. First, needless to say, to press ahead with the process of enlargement, the main task facing us in coming years; secondly, to promote the development of a European security and defence policy, which should help to put the European Union firmly on the international map. We also want to promote the development of strategic partnerships with our neighbours and with the main regional blocs. This should allow the European Union to help create a multipolar world, which is one of the fundamental long-term factors to the stability of international relations. Our fourth and final objective is to improve the efficiency of EU instruments on the basis of the debate held by the ministers of foreign affairs at the informal meeting in Evian on 2 and 3 September, i.e. last Saturday and Sunday, at the Commission's proposal and in the presence of Mr Patten.

The French Presidency's first objective is to give new momentum to the accession negotiations. The prospect of enlargement is the basic question which we Europeans have to answer, the huge challenge which faces us over coming years. That is why the French Presidency is determined to ensure that the IGC is a success and conclude 'a nice treaty in Nice', in order to prevent any delays to enlargement and ensure that we can welcome the first candidate countries to a Union with more efficient institutions. I should like to make a brief aside here to tell you that our attitude today is one of slight concern. We feel that it is time to move from somewhat static declarations of position to real negotiation culminating in compromise; otherwise we shall have trouble both starting and concluding the negotiations.

Again on the question of accession negotiations, allow me to say that we shall push as far ahead as possible with negotiations with the Luxembourg six, of course. These are the countries with which we expect to make progress in negotiations on the most difficult chapters of the Community *acquis*. And we shall do likewise with the Helsinki six, maintaining the pace of negotiation and, depending on the level of preparation of each country, opening up a whole series of new chapters, 42 in all, ranging from four to nine, depending on the country. All in all, our objective, in close consultation with the Commission and Commissioner Verheugen, is to arrive in Nice at an overall vision of the state of negotiations, thereby efficiently guiding the work of the following presidencies and preparing the way for the completion of negotiations. The various reports currently being examined in our committees and the debate on enlargement planned for October will give us further food for thought. Hence the main deadlines during our presidency will be as follows:

A ministerial negotiating session will be held with each of the 12 candidates either on 21 November, for some of the candidates, or on 5 December, preceded by two meetings at ambassadorial level in the autumn.

As far as the Fifteen are concerned, we shall be organising a politically-orientated debate at the General Affairs Council on 20 November on the basis of the overall report and the individual progress reports on each candidate country which the Commission is due to submit to the Council at the beginning of November. The purpose of this debate, in the run up to the Nice European Council, is to identify the main difficulties which need resolving, chapter by chapter, country by country and, on the basis of this, to discuss how the accession process should continue. Finally, we shall be convening the European Conference twice, once in Sochaux on 23 November for the ministers of European affairs of the Fifteen and ministers from the candidate countries, and once in Nice on 7 December for the Heads of State and Government, at the opening of the Biarritz Summit.

As you will see, we hope to give a strong new impetus to the enlargement process. The Union indicated in Helsinki that it would be ready to welcome the first new members on 1 January 2003, as soon as the procedure for ratifying what we hope will be the future Nice Treaty has been completed but, as the Heads of State and Government stressed at the Feira Summit, the countries in question must not only transpose the Community *acquis*, but more important still, they must be able to implement and really apply it. This is naturally a very complicated and, as we well know, a difficult task for the candidate countries, but the Community is already helping by supporting the efforts of each country. These efforts are vital in order to complete the enlargement process under way in a serious and controlled manner and thus enable the most advanced countries to accede as quickly as possible.

As far as Turkey is concerned, I would just like to say briefly that recognition of its candidate status in Helsinki marked an important step which my country, France, supported. The presidency will work in the Council to have the accession partnership for this country adopted and will continue to conduct a detailed analysis of the *acquis*. It will also ensure that the Union honours its financial aid commitments with a view to setting up a single framework covering all aid instruments to Turkey. It will work especially hard to have the regulation on the economic and social development of Turkey adopted.

It goes without saying, however, that accession negotiations will be quite out of the question until such time as Turkey complies with the Copenhagen criteria, especially the democratic criteria, although any progress in this direction will of course encourage us to adopt the measures which I have just mentioned. We are waiting with interest for the House to adopt Mr Morillon's reports on these important issues.

The French Presidency's second objective is to push ahead with the European common security and defence policy by implementing the decisions taken in Helsinki and Feira. The Union now has the instruments which it needs in order to apply a common foreign policy. It had been missing one instrument which was vital to the credibility of its commitment, i.e. the capacity to mobilise sufficient military resources to allow it to decide and act autonomously within the context of the so-called Petersberg tasks. Our objective, which the crises in Bosnia and, more recently, in Kosovo have taught us, is to provide a global response to the manifold and extraordinarily complex dimensions of today's crises: not just ethnic crises, but also sociological, administrative, judicial, security-related and military crises. All these dimensions apply. What is special about the European response, compared with other instruments, is that it can offer a global response to all these dimensions.

In other words, the French Presidency hopes to take part in an extremely ambitious project which will of necessity take several years to complete. It therefore intends to keep up the pace of work so that the Feira commitments can be kept by the time the European Council meets in Nice – a particularly heavy agenda. The three main issues are as follows: as regards countries' abilities to meet the objectives, the commitment conference which we shall be holding on 20 November will give each Member State the chance to state how it intends to help achieve the overall objective defined in Helsinki; as regards the permanent political and military institutions, our presidency has to prepare for the transition to the final, operational stage which will allow the Union to manage a crisis in all its dimensions as quickly as possible. Finally, we need to implement the Feira decisions on relations with NATO and with third countries in connection with military crisis management and the continuing work to strengthen civil crisis management instruments.

The French Presidency's third priority will be to develop strategic partnerships between the Union and its neighbours and the main regional blocs.

The priority within this priority is to strengthen relations with the Union's neighbours, especially the Balkans where, as we all know, the situation is still giving cause for concern. As a sign of the importance which the Union attaches to developing relations with the Balkans region, which we wish to see enjoying peace and democracy, France has proposed that Croatia host a summit on 24 November with the countries of the former Yugoslavia which, although at varying stages, have made the most progress with their democratic development.

The idea is to support recent positive developments in several of these countries and to remind the Federal Republic of Yugoslavia that the door will also be opened to it once it joins the movement or, to be more precise, when the conditions are right for it to join the movement.

Developing the strategic partnership with Russia and the Ukraine is another priority of the French Presidency, which is due to host the EU/Ukraine Summit in Paris in 10 days' time and the EU/Russia Summit on 30 October. The framework for action by the French Presidency of the Union vis-à-vis Russia is defined by the conclusions adopted by the Feira European Council, which offered to support the efforts being made by President Putin and the new Russian Government to modernise and reform Russia. At the same time, the presidency will, of course, continue to monitor the issue of Chechnya closely. The Council reiterated in July that only a political solution would bring about a lasting settlement of this conflict.

Finally, despite the uncertainty hanging over the future of the peace process in the Middle East, which we have just debated, developing our Euro-Mediterranean relations is one of the French Presidency's main concerns. We hope to take general stock of the Barcelona process and assess cooperation under the MEDA programme during the ministerial meeting in Marseilles on 16 November and, if circumstances allow, at the summit which may then be organised for the following day in order to define guidelines to give new impetus to Euro-Mediterranean cooperation.

The presidency also intends to complete work on the peace and stability charter. During this meeting, as far as the peace process is concerned, the European Union should play a major role in supporting the two sides and the agreements which they conclude. Finally, the presidency is keen to implement the Common Strategy on the Mediterranean adopted in Feira and ensure that the new MEDA regulation is adopted. As far as the association agreements are concerned, let me repeat that it hopes to sign the agreement with Egypt and achieve substantial progress in negotiations with Lebanon, Syria and Algeria.

Beyond its immediate environment, the French Presidency will ensure that it develops political dialogue with the main regional blocs. I am thinking here of Asia. In Asia, priority will be given to resuming political dialogue between Europe and Asia and to strengthening economic and financial cooperation within ASEAN. A summit will be held in Seoul on 20 and 21 October and we also hope to resume the dialogue between the EU and ASEAN.

History will record two important summits with key countries in the region during the French Presidency. The summit with Japan on 19 July decided to start revising the 1991 declaration and preparing an action plan for adoption at the summit in 2001. The other summit, with China, will be held in Beijing on 23 October.

As regards Africa, the presidency will be organising an initial follow-up meeting to the Cairo Summit and working to develop relations with sub-regional organisations in accordance with the provisions of the Cotonou Convention. It will be organising the fourth ministerial meeting between the EU and SADC in Gaborone on 29 and 30 November and a ministerial meeting between the EU and the Community of West African States in Abuja on 16 October.

The trans-Atlantic dialogue will focus on three foreign policy issues: the Balkans, Russia and the peace process in the Middle East. This framework will also be turned to good account during the summits with the United States and Canada on 18 and 19 December, in order to bring our main partners up to date with recent developments in the European foreign, security and defence policy.

Dialogue with Latin America will be furthered during the course of regular meetings with the regional groups next week on the fringe of the general assembly of the United Nations. France has also suggested that its partners consider the future of relations with Cuba.

Finally, the French Presidency will ensure that Europe is able to do all it can, in a coherent and responsible manner, to help open a new round of negotiations, which we hope will be global and balanced negotiations, within the World Trade Organisation.

In the longer term – and this is the fourth priority of the French Presidency – the Presidency again opened a debate during the informal meeting in Evian, in the presence of Mr Patten, on improving the efficiency of Union instruments. The Union – as I have said – has numerous instruments at its disposal which allow it to influence developments in international

relations. Thus, its diplomatic presence in the world, both that of the Fifteen and of the Commission, is unique both in terms of staff numbers and geographical coverage. Similarly, the Union now constitutes an active and coherent group in the United Nations, where its points of view are represented in every forum.

Finally, its financial resources, our financial resources, are considerable. However, we all know the weaknesses in the Union's external action: lack of visibility, inadequate coordination on occasions, flexibility which leaves much to be desired, too little influence in international institutions, especially Bretton Woods. Efforts have already been made to rectify these shortcomings, mainly by adopting the first common strategies, but this does not alter the fact that the impact and credibility of European action fall well short of the resources implemented.

The ministers of foreign affairs of the Fifteen therefore opened a debate at the instigation of Hubert Védrine during the recent informal meeting at Evian, based on the excellent work presented by Mr Patten on behalf of the Commission and by the Secretary-General of the Council to the High Representative for the CFSP, Javier Solana, who was also present in Evian. Several items were entered on the agenda. First, we need to improve coordination between the various actors in the European Union – in situ, in the third countries, through more decentralised management of Community programmes and through improved coordination between Community action and action by Member States.

At central level, this must be done by reaffirming the coordinating role of the General Affairs Council in order to improve the coherence of external action in all its aspects. I am thinking here about political dialogue, financial cooperation and commercial franchises. Then we need to turn the overall efforts of the Union to better account and make them more efficient. That presupposes establishing the measure of this global effort vis-à-vis the outside world and, hence, having synthetic tools which integrate all aspects of external aid.

We also need to enhance Community aid management by improving the planning and implementation of Community instruments, taking account of the finding made by the Commission and endorsed by the Member States, that there is an unacceptable divide between commitments and Community appropriations disbursed and the increasing criticism, legitimate criticism, by third countries of slow, unwieldy processes.

Finally, and this is my last point, Mr President, the partners, i.e. the Council and the Commission both agree that we need better monitoring of the implementation and efficiency of Community aid, especially by the General Affairs Council, which needs to play a more important role in steering the Union's external action. I can tell you, in this respect, that the ministers will refer to this point at the Council session on 18 September in order to define a monitoring framework and modus operandi, together with the Commission and the Secretary-General or his representative.

Those, Mr President, ladies and gentlemen, are the priorities of the French Presidency as regards external action. We intend to cooperate in this and many other areas with both the Commission, which will be the main driving force in this area, as it is in every other area, and with the European Parliament.

*(Applause)*

2-040

**Patten, Commission.** – I very much welcome this opportunity to speak to the European Parliament just a couple of days after the informal meeting of foreign ministers in Evian, at which there was a serious discussion on the effectiveness and efficiency of the European Union's external activities and the budgetary consequences, the first time to my knowledge that such a discussion has taken place.

I want to congratulate the French Presidency without reservation on the priority that they have given to this extremely important practical issue. I want to respond to the motion for a resolution, not least since I suspect that in it are the bones of the discussion that we will be having between the Union's institutions on CFSP over the coming years.

Just before the summer break, as some Members may have read in the newspapers, we discussed in the Commission the demands, the constraints and priorities of the European Union's external relations, our understanding of what should be the Commission's external role and some of the problems we encounter in performing it. Any such discussion should of course begin with the Treaty. One of the five objectives of the European Union, as set out in Article 2 of the Treaty, is that it should assert its identity on the international scene. That objective reflects a number of things. It reflects first of all the European Union's political interests, including a growing role in the area of security, which the President-in-Office referred to in his interesting remarks. It reflects our economic interests, trade and the external dimension of the single market, including our agricultural policy. The Euro would also come under this heading. It reflects our responsibilities for external assistance which have grown exponentially in recent years.

The European Union and its Member States now provide 55% of total international aid and two thirds of global non-refundable aid. It reflects our defensive external interests, issues such as drug trafficking, nuclear safety issues, environmental concerns and migration and last but not least relations with our near neighbours, including the whole

process of enlargement, which in my view is the most important and challenging issue facing this generation of European politicians. It is worth remembering that less than 20 years ago relations with Greece, Spain and Portugal were external affairs for the European Community as it then was.

Our prime task in the European Union's external relations is surely the projection of stability, both in our immediate neighbourhood and beyond. A more stable neighbourhood and a more stable world guarantee a more stable European Union. The skills that the European Union has brought to its own development are skills which offer an example and a model elsewhere in the world. We need to be more imaginative in drawing on our experience and using it beyond our shores.

In discussing how the European Commission can concentrate on this task, I want to be clear about the limits of our role. Foreign policy is and will remain fundamentally a matter for national governments, in other words for Member States. There are 15 foreign ministers in the European Union today and there will be 15 for the foreseeable future. But it is equally important that the Member States should acknowledge what you in European Parliament and those working on the CFSP have long understood: that mere intergovernmentalism can be a recipe for weakness and mediocrity, for a European foreign policy of the lowest-common denominator. That is why the Union chose to move on from political cooperation, why the Treaty of Amsterdam created the new high representative for CFSP and why there is an important role for the Commission and for the European Parliament in trying to make a Common – I stress common not single – Foreign and Security Policy more effective.

The new structures, procedures and instruments of CFSP recognise the need to harness the strengths of the European Community in the service of European foreign policy. It would be absurd to divorce European foreign policy from the institutions which have been given responsibility for most of the instruments for its accomplishment, for external trade, external assistance, many of the external aspects of justice and home affairs and so on. That is why the Commission participates fully in the decision-making process in the Council, that is why we have a shared right of initiative – not a sole but a shared right of initiative – in these issues.

There needs to be a sensible and sensitive partnership in the external field between the institutions of the Union, including the European Parliament, and its Member States. We should be engaged in a common effort to make sure that world's largest trading group also makes its presence felt politically. We have a real contribution to make and we must not be afraid to make it.

Another point I want to emphasise is that the Commission is not seeking new powers or a new role, but we do want to be able to exercise the powers we already have under the Treaty more effectively. I have every sympathy for European Parliament's desire to do exactly the same.

I am determined that the Commission should make a coherent contribution to the external relations agenda. It is very easy in the external field, perhaps more than any other, to make grandiloquent statements about Great Issues such as peace in the Middle East, a stable and productive relationship with Russia, international development.

But if these are to be transformed from aspiration into reality, we have to pull our collective European weight. What does that mean in practice for the Commission? Firstly it means better coordination between Commissioners and Directorates-General encouraging a habit of working together. I think we are starting to improve things. I chair the group of RELEX Commissioners which meets regularly both formally and informally. We try to frame a single agenda to discuss the impact of what we are doing on other Commissioners' areas of responsibility. I think it is fair to say that this has so far been successful and that we intend to continue in this spirit. We have managed to avoid the turf wars which I am told occasionally disfigured the harmony of previous Commissions. Secondly, we are feeling our way towards a new and more productive working relationship with the Council and I hope with the European Parliament.

It was evident at Evian with ministers this weekend. Apart from the detailed foreign policy issues on our agenda like the situation in the Middle East, we were looking at how we decide our overall annual priorities in external relations and how we apportion the budget. As I said before, when I made a presentation to the Council on the budget and on our priorities in May it was the first time this had ever happened. Earlier this year, as well as that presentation to foreign ministers, I hope that I gave the European Parliament exactly the same candid presentation on our external relations budget. In the past commitments have simply built up from one budget exercise to the next, with almost no effort to pull things together into a coherent whole. We are now trying to create a more rational system in which we can all have a proper political discussion early in the process on what our priorities should actually be. That is important in the Council and it is important in the Parliament because you are the budgetary authority. We cannot spend more than you allow us to but in that case you should not ask us to do more than is possible and criticise us when we have to make judgments about priorities. However, I think we are in a much better position to make those judgments with political guidance from the Council and Parliament.

Thirdly, I am working with Javier Solana to create sensible structures and the right division of responsibilities between the Commission and the High Representative for the CFSP. The institutional relationship between the Commission and the

High Representative is evolving, as is the precise role of the European Parliament in the CFSP. But we have in this last year managed to develop a strong and sensible partnership and I think we can honestly claim that, whatever the difficulties, it is starting to make a difference, for instance, in the Balkans where the challenge to the credibility of Europe's foreign policy remains formidable.

Fourthly I am working to respond to new demands on the Commission arising from the new security agenda. We have set up a new crisis management unit to help pull together the Commission's contribution in that area, but I also want to adapt our structures so that we can have a greater input into aspects of external relations where traditional bilateral diplomacy has been less effective and where the Commission has particular expertise which it should be able to deploy more effectively. One example is conflict prevention, which may involve issues that are not part of the normal diplomatic agenda. Other examples are climate change, control of drug-trafficking, control of the other death industries, the creation of new civil structures including independent media and so on. These are the sort of issues on which I want to see the Commission contributing its experience and resources. In the discussions we had in the G8 foreign ministers' meetings I was struck by the extent to which the foreign and security policy agenda is changing and bringing together disparate issues in which the Community has almost unique competence, for example in the environmental field.

We discussed yesterday Mr Galeote's excellent report on our external services and the importance of enhancing the effectiveness of what the European Union does around the world. There was a lot of discussion about better coordination, better coordination between Member States and all the institutions of the European Union, which I know is a serious priority of the French presidency and one which I totally share.

We have perhaps talked more openly about these issues in the last few months than ever before but now we have to put our rhetoric into practice and discharge our responsibilities.

2-041

**Brok (PPE-DE).** – (DE) Mr President, a great deal is expected of the European Union, particularly if it is to do justice to the challenges it faces in the sphere of foreign and security policy. There has been a considerable amount of progress over the last few years, especially considering the Cologne and Helsinki Decisions, and the development of a European defence identity. We must see – indeed Mr Patten made this very point – that we contribute a large proportion of the world's international aid. But are we really well-equipped to do justice to these challenges? Are the structures genuinely suitable? Do we really allow excellent individuals such as Mr Patten and Mr Solana to represent us overseas or are we increasingly forcing them to compete against each other owing to inappropriate structures?

The fact is that the Council wants to operate as the executive in the foreign, security and defence policy, but how is this to be accomplished with 27 Foreign Ministers at the same time, when the Council thinks of itself as an executive authority in collective terms? All this is bound to lead to a situation that will be untenable in the long run. The European Union may have put the instruments for external assistance and trade policy on a Community footing to a large extent, but unfortunately we do not have the chance to allow the institution to push this Community policy through, the intention being to avoid any competition with the Foreign Ministers, who are not prepared to give up a little bit of their jurisdiction in de facto terms.

If you keep appointing new special representatives then, in the end, this will detract from the competences of the Community bodies, notably the Commission, without really bringing about coordination. Kosovo is a case in point: it was absolute chaos. We provide the most money but nothing is actually being resolved out there, despite the best efforts of all concerned, because the structures are inappropriate. That is the real problem and it is increasingly bringing us into disrepute.

We must ensure – and Mr Patten has the right approach in proposing the reorganisation of external assistance – that we strengthen the power to act of our Community bodies, and that we improve the way in which work is carried out there and make it more effective. But at the same time, the structures must fit together, or else we will fail to make headway in this area. Of course that also means, for example, that – as Parliament said before Amsterdam – the two-fold construct of High Representative/Commissioner for Foreign Affairs will not work. We have had our first taste of this only a year on. We have had our first taste of this only a year on. It would have been much better to have a Vice-President of the Commission for Foreign Affairs attached by means of a special bond of legitimation to the Council.

If we are to fulfil the expectations people have of the European Union then we must organise the structures accordingly, but not in line with the traditionally held ideas of EU Foreign Ministers, who are not prepared to relinquish responsibilities in de facto terms. The new troika must be made better use of under the circumstances, and the question of parliamentary control must be resolved too.

According to the Treaty, the European Parliament is responsible for the area of civil crisis management, trade policy and the like, and that is clearly the case. The national parliaments are responsible for financing and supervising their armed forces and the orders to go into action, and there can be no doubt on that score either. Only, we must have the good sense

to bring about a certain amount of coordination between them. But here too, control must clearly be in evidence, because we cannot have a situation where European foreign, security and defence policy means less transparency and democracy.

For this reason, Mr President-in-Office of the Council, we must work closely together over the next few days in order to guarantee and secure the necessary secrecy of certain documents. On the other hand though, we must also guarantee the same level of transparency and control that the public expects from national governments and national parliaments. I believe we will find the right moment to make a start on this. I see that the French Council Presidency is extremely well disposed in this matter and so we should work on it over the next few days.

*(Applause)*

2-042

**President.** – We shall now suspend the sitting<sup>2</sup>.

Formal sitting on the occasion of the address by Mr Avraham Burg, Speaker of the Knesset and Mr Ahmed Qurie, Speaker of the Palestinian Legislative Council.

2-043

**IN THE CHAIR: MR MARINHO**  
*Vice-President*

2-044

**Read (PSE).** – Mr President, as you know I currently chair Parliament's delegation for the United States of America and I should like to raise a point of order under Parliament's rules concerning parliamentary delegations. It has come to my attention that a group of parliamentarians from the EPP Group visited the USA in July. Normally I would regard this as a private matter and not my concern. However, in the programme connected with this visit the group is described as a delegation and in particular Mr Goodwill, MEP, is described as leader of the delegation. I can make this programme available to you.

This puts the whole visit in an entirely different context. There was a formal delegation which I chaired from Parliament to the USA in June and there is an understandable confusion when another group of MEPs some three weeks later arrive in the USA, to all intents and purposes also a European Parliament delegation. I have reports that the comments of these parliamentarians were from the wilder shores of the EPP Group and were notable for their anti-European content.

2-045

**President.** – I understand what you are saying, Mrs Read, and the presidency takes note of your comment. We shall correct this mistake and keep you informed of the situation.

Mr Goodwill, I believe that what you wish to say echoes Mrs Read's comments.

2-046

**Goodwill (PPE-DE).** – Mr President, on a point of order I can inform the House that in no way did the visit by Members from the UK, Sweden and Germany wish to be described as a delegation. We were merely visiting the United States as a group organised from within our own national groups. We did not represent the EPP Group, we certainly did not wish to usurp the role of the official delegation.

I contest the point made about the views expressed during that visit as being particularly extreme. We represented the views of our national parties over there as well as the views expressed within the European Parliament.

2-047

**President.** – I am very sorry, Mrs Read, but I cannot allow you to speak again, as we are already running late. We all know what the problem is. The Bureau and Parliament have already made a commitment to resolving this issue and you really cannot speak again. Let us proceed to the vote.

2-048

**Vote**

2-049

**Recommendation for second reading in the form of a letter, on behalf of the Committee on Agriculture and Rural Development, on the common position adopted by the Council with a view to adopting a European Parliament and Council decision amending Decision 96/411/EC on improving Community agricultural statistics (7624/1/2000 – C5-0269/2000 1999/0137(COD)).**

*(The President declared the common position approved)*

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<sup>2</sup> See Annex: Formal sitting

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**Report by Mr Dell'Alba (A5-0202/2000) drawn up on behalf of the Committee on Development and Cooperation, on the proposal for a European Parliament and Council regulation regarding the closure and liquidation of projects adopted by the Commission under Council Regulation (EC) No 213/96 on the implementation of the European Communities' investment partners financial instrument for the countries of Latin America, Asia, the Mediterranean region and South Africa (COM(1999) 729 – C5-0062/2000 – 2000/0034(COD)).**

*(Parliament approved the legislative resolution)*

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**Report (A5-0205/2000) by Mr Piétrasanta, on behalf of the Committee on Industry, External Trade, Research and Energy, on the report from the Commission: Annual report of the MEDA Programme (1998) (COM(1999) 291 – C5-0117/1999 – 1999/2120(COS) (Draftsman: "Hughes Procedure")**

*(Parliament approved the resolution)*

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**Report (A5-0210/2000) by Mr Galeote Quecedo, on behalf of the Committee on Foreign Affairs, Human Rights, Common Security and Defence Policy, on a common Community Diplomacy (2000/2006(INI)).**

2-050

*(Parliament approved the resolution)*

2-051

**Galeote Quecedo (PPE-DE).** – *(ES)* Mr President, perhaps you could give the Commissioner the opportunity to explain to the House what he intends to do with this Parliament initiative, bearing in mind the new code of conduct which governs relations between Parliament and the Commission.

2-052

**Patten, Commission.** – I am extremely grateful for the courteous offer that has been made. Last night we had the opportunity to discuss this extremely important report at some length. In my speech I drew attention to the communication that we have already produced on the external services, but said that we will be coming back with a further communication in due course which will bear the imprint of this extremely important report.

In particular I should like to express our enthusiasm for the very sensible ideas put forward about training for our external services and also the arguments about coordination. It is a very good report on an important subject. We hope that it will be a beacon for all of us in the dark nights that lie ahead.

*(Laughter and applause)*

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2-053

**Report (A5-0191/2000) by Mr Imbeni, on behalf of the Committee on Development and Cooperation, on the communication from the Commission to the Council and the European Parliament: Assessment and future of Community humanitarian activities (Article 20 of Regulation (EC) 1257/96) (COM(1999) 468 – C5-0044/2000 – 2000/2016(COS)).**

*(Parliament approved the legislative resolution)*

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#### *Explanations of vote*

2-053-500

**- Dell'Alba report (A5-0202/2000)**

2-054

**Fatuzzo (PPE-DE).** – *(IT)* Mr President, I voted for Mr Dell'Alba's report, and I would like to explain this decision here since it relates to the financial concerns of pensioners in general. Since they have very little money, they are, in effect, very careful how they spend it.

Sadly, the Dell'Alba report does not take into consideration the proposals of the Chair of the Committee on Budgetary Control, Mrs Theato, who levelled severe criticisms at the report, which proposes to honour the outstanding expenditure laid down in a previous regulation on aid for certain European activities in Latin America, Asia, the Mediterranean and South Africa. In my opinion, much more should have been done, and this should have rung genuine alarm bells for the Commission's activities.

2-054-502

**- Piétrasanta report (A5-0205/2000)**

2-055

**Fatuzzo (PPE-DE).** – *(IT)* Mr President, I could not pass over the chance to give an explanation of my vote for the MEDA report, seeing as, this summer, after I had been to Spain, I had a holiday in Tunisia. While I was there, a Tunisian pensioner came up to me – goodness knows how he had found out that I represent the Italian pensioners in the European Parliament – and he said to me: "I know that there is an aid programme for Tunisia as there is for all the Mediterranean countries, but what good has it done me, a pensioner in Tunisia? What are you doing to help us?"

I have, in effect, read Mr Piétrasanta's report in its entirety and I regret to say that certain actions are missing. In addition to the various initiatives laid down in the MEDA programme – which, I hope, will be given much more funding than the EUR 3 475 million which were appropriated to it between 1995 and 1999 – I hope that measures will also be adopted to keep a check on how European Union funding is used and that a large proportion will go to the peoples of the African countries which border on the Mediterranean, including their elderly citizens.

2-056

**Carlotti (PSE), in writing.** – *(FR)* The MEDA programme is the mainstay of financial cooperation under the Euro-Mediterranean partnership set up in 1995. But the procedures are unwieldy and not transparent enough, the specification for the implementation of projects, which are too long...

Reform is urgently needed because these problems are throwing the entire process into disrepute and are seen as bad signs by the people of the Mediterranean, who did, in fact, originally welcome the Barcelona process with a certain degree of enthusiasm.

The Commission text is a good text because its purpose is to help simplify current regulations. But we need more if we want to give our Mediterranean policy a new lease of life: we need to involve the people more by supporting decentralised cooperation, we need to improve the way in which the cultural and human dimensions are integrated, open the free trade zone to agricultural produce and monitor and support fundamental freedoms.

I fully support the rapporteur's proposal that an annual report be drafted on human rights in the Mediterranean countries.

2-056-500

**- Galeote Quecedo report (A5-0210/2000)**

2-057

**Fatuzzo (PPE-DE).** – *(IT)* Mr President, I voted for the report on a common Community diplomacy. I have to say that my daughter, who was extremely happy to see European driving licences introduced and remarked at the time: "So Europe is making progress!", asked me on this occasion: "But when will European embassies be set up in the countries we visit as tourists?"

Well, I would have liked the Committee's report to have been more decided, more resolute, and to have, at last, established single European embassies to replace the 15 national embassies in the 15 Member States and the other States throughout the world. Sadly, this did not happen, but I hope that it will come about with the next Commission communication.

2-058

**Andreasen, Busk, Haarder, Jensen and Riis-Jørgensen (ELDR), in writing.** – *(DA)* The Liberal Party's five Members of the European Parliament support the efforts in this report to give better diplomatic training to those EC officials who work in the Commission's delegations. We have proposed – and had accepted – an amendment which emphasises that it is simply a question of in-service training and that the courses are to be open to diplomats from the national foreign services. The Liberals do not, however, support the idea of setting up a new institution in the form of an EC College of Diplomacy. Nor do we want the present delegations to develop into EU embassies. Therefore, the Liberals have today voted in favour of the report as a whole but abstained from voting on the above-mentioned points.

2-059

**Blak, Lund and Thorning-Schmidt (PSE), in writing.** – *(DA)* The Danish Social Democrats in the European Parliament welcome, and have voted in favour of, the initiative to improve the Community's common foreign service. We also support the initiative to give further training to EC officials engaged in external activities. We are opposed, however, to setting up a college of diplomacy for training the staff. It must be possible for such training to take place as, for example,

in-service or on the job training. We also make reservations about the Commission's delegations developing into proper embassies. That would create an unclear picture of which problems are to be solved by the national embassies.

2-060

**Gahrton and Schörling (Verts/ALE), in writing.** – (SV) We have abstained from voting because the aims of the report are unclear.

On the one hand, it contains a large number of proposals for improving operations in the EU's present offices abroad. It is also established (in paragraph O) that the purpose is not to create a single diplomatic service for the EU to replace the foreign services of the Member States.

On the other hand, the whole enterprise smacks of efforts progressively to do precisely that, namely to create veritable EU embassies as a stage in the process of transforming the EU into a superstate. This impression is powerfully reinforced by paragraphs P, 13 and 15, in which the talk is precisely of EU embassies, of coordinated EU representation in, for example, the UN and of Member States which so desire arranging for their diplomatic missions to be combined with the EU's delegations.

Because we are in favour of practical improvements to the existing foreign operation, but absolutely opposed to the EU's beginning to behave like a superstate in the world around, especially by stealth, we have no option but to abstain from voting.

2-061

**Meijer (GUE/NGL), in writing.** – (NL) Mr President, the creation of a College of European Diplomacy within the European Union seems a minor technical matter. This draft initiative, however, forms part of a creeping and continuing change in the nature of the European Union. The Union is increasingly threatening to develop into a superstate akin to the United States of America. Such a superstate is typified by a single currency, a common army and a uniform foreign policy, and functions as a fortress vis-à-vis the outside world.

In the 1950s, the existence of the forerunners of the European Union was justified in terms of voluntary cooperation between European states and peoples in order to regulate a number of cross-border issues of mutual interest. If however, in those days, the aim had been to build a large-scale superstate, subordinating many peoples, this would have met with huge resistance. Such multi-people states dominated Europe before 1918 but, thanks to their fall, most European peoples were given the opportunity of governing themselves in a democratic manner.

My party, the Socialist Party in the Netherlands, considers the return of such a superstate as a threat to democracy, public services, peace and refugees. I am voting against this new step in the wrong direction.

2-062

**Rovsing (PPE-DE), in writing.** – (DA) Our countries have a special responsibility, being among the few democracies in the world. In the same way as the United States, we must be in a position to take independent initiatives and intervene in those parts of the world where there is a need to defend human rights and to propagate democratic values. Interventions of this kind should primarily take place with the help of economic sanctions but, depending upon the circumstances, military intervention may be necessary. The prerequisite of the EU's being able to assemble the required drive to complete these tasks is close cooperation, both economic and political, within the EU, including closer cooperation between the foreign services. At present, statements from the Commission's delegations are too dissimilar because of the divergent positions held by the Member States. If the EU is to assert itself on the political stage, it requires a better coordinated foreign policy in which the EU countries are obliged to combine forces and to speak with one voice.

2-063

**Souchet (UEN), in writing.** – (FR) Mr Galeote's report has the strange merit of indicating its real objective and logic fairly clearly, i.e. the creation of a single Community diplomatic service, while formally claiming the opposite. The entire proposed arrangement in fact contradicts recital O, which states that the objective is not to create a single diplomatic service to replace the diplomatic services of the Member States. I welcome Mr Dupuis' frank and coherent amendments, which at least have the merit of calling a spade a spade. The subtle internal balances of the PPE probably explain the baroque nature of the structure being proposed to us.

This clearly pathetic ducking and diving is directly inspired by the Monnet-Delors method and all Mr Galeote has done is to propose a new variation on that theme, this time on diplomacy. With this method, the institution creates the function, the container hides the content, the technique gives rise to the policy. But now we have the key and know how to decipher. When Mr Galeote proposes setting up a training college to mould Community super-diplomats and recycle national diplomats, giving the European Union an international legal personality and 'coordinating' representations, especially to the UN, we know full well that the sub-text reads: merge embassies, create a single Community diplomatic corps and communitise France's and Britain's permanent membership of the United Nations Security Council.

And of course, as always, the question of purpose, the question of content, the only question worth asking, is omitted. What are we creating with this new institution? In this particular case, what foreign policy will this Community diplomatic corps serve? What common interests is it supposed to defend?

This is a typically Marxist approach. We are waiting for the 'critical qualitative mass' which, we hope, will change the quantitative into qualitative at a certain threshold. The common instrument is supposed to produce the common conscience, the common will, the common responsibility. This cult of the quantitative culminates in a grotesque comparison between the number of American and 'European' diplomats, the number of 'European' diplomats having been obtained by adding up the numbers of professional diplomats attached to the foreign services of our various countries. Must we reiterate that the United States are one and the same nation and the Member States of the European Union each have privileged links in the world, different and sometimes diverging experiences and affinities, and that it is this which so enriches European diplomacy? It is the complementarity of this individual expertise which can be used for a clearly-defined common objective which really serves European interests.

It is precisely these advantages which the single diplomacy being proposed to us will devalue. In fact, we are eroding national will, despite the fact that it is the diplomatic driving force behind Europe and, at the same time, we express surprise when the increasing number of instruments and declarations is reflected merely by an absence of content and a general lack of interest.

The only positive aspect of this report might be its desire to rationalise the organisation and improve the professionalism of the European Commission delegations in third countries. Experience has shown that these delegations are not always up to their real job, which is to implement Community programmes and agreements and monitor them on the ground. It would appear that this job has now taken second place to other considerations, with Commission representatives too busy trying to obtain officially the usurped title of ambassador to oversee the proper implementation of the programmes which they are responsible for applying.

This last point apart, you will understand that we obviously did not vote in favour of the other, totally surrealist proposals in this initiative report. Today we are admitting the absurdity and intrinsic weaknesses of a single currency which is not supported by any sovereignty. And now we expect single diplomacy, conceived in the same back to front manner, to work or rather, not to work.

2-064

**Theorin (PSE), in writing.** – (SV) I welcome the initiative to improve training for EU officials working on foreign issues, but I cannot support the creation of a single diplomatic corps.

The Member States are responsible for foreign diplomacy, and I think there is a danger that transforming the Commission's delegations into Community delegations with legal standing might lead to conflicts of interest with the Member States' national diplomatic delegations. I cannot therefore vote in favour of Mr Galeote Quecedo's report.

2-064-500

**- Imbeni report (A5-0191/2000)**

2-065

**Fatuzzo (PPE-DE).** – (IT) Mr President, I voted for Mr Imbeni's report as well, for the European Union is certainly doing something extremely important in organising humanitarian aid for areas which have been struck by natural disasters or the effects of war. Pensioners, whom I have the honour and the pleasure of representing, are among those who are most willing on these occasions to go and help the less fortunate victims of disasters. But what benefit has Europe drawn from this initiative which, among other things, cost EUR 813 million in 1999 alone? Moreover, I would call upon the Commission to increase its expenditure, for it is extremely important for Europe to maintain a presence in the world and to give a high profile to its presence through, among other things, a symbol and greater publicity of this important activity.

2-066

**Cauquil (GUE/NGL).** – (FR) Mr President, a single example, taken from the explanatory statement, illustrates just how laughable the report on the humanitarian activities of the European Union is. The report cites the absence of operational tools, especially helicopters, as the reason for the lack of international aid in general and the lack of aid from the European institutions in particular, in dealing with the floods in Mozambique, whereas – and who could forget? – there was no lack of helicopters, aeroplanes, every type of transportation equipment and even means of destruction when it came to intervening in Yugoslavia or Iraq.

The only conclusion to be drawn from this is that the major powers, which are capable of mobilising huge resources in order to impose their hegemony on the rest of the world, are not prepared to make the slightest effort when it comes to saving human lives. Under these circumstances, the pacifying declarations on humanitarian aid by the European institutions are shamefully hypocritical and we have no intention of backing them, which is why we abstained from the vote.

2-067

**Fruteau (PSE)**, *in writing*. – (FR) I wish to start by congratulating Mr Imbeni on the quality of his report. This report is fully in keeping with the philosophy of our institution, which has always made its voice heard in the least well off countries, through its opinions, its resolutions or specific action to improve and develop humanitarian aid.

Since the European Community Humanitarian Office (ECHO) was created at the beginning of the 1990s, Europe has taken its place as the biggest donor in the world.

However, despite legitimate efforts driven by historical links between certain European countries and developing countries, we are forced to admit that poverty is increasing throughout the world. Today, half the world lives on less than two dollars a day. This is unacceptable!

Has the money released been squandered? I do not think so. Without the emergency aid provided by ECHO in order to deal with the natural disasters or serious crises which regularly hit the most vulnerable people on our planet, I hardly dare imagine the situation which we would have to deal with today.

Nonetheless, humanitarian aid needs to be rationalised. In this respect, I welcome the fact that the House is calling for more coherent, more coordinated help and for greater collaboration between the various partners, such as the executive Commission, the Member States, the various associations or even the United Nations. In addition, apart from humanitarian aid proper, we need to find ways of improving conflict prevention because 25% of the African continent is still being torn apart by war.

Finally, even if the problem of development is a multi-dimensional problem and the European Union does not have all the answers, we still need to continue and step up our action in order to lay the foundations for sustainable world development and help eradicate poverty. In any event, this was the concept which inspired the work of the Committee on Development and Cooperation, which is why I voted in favour of the report presented today by Mr Imbeni.

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2-068

**Raschhofer (NI)**. – (DE) Mr President, I would like, on my own account and also on behalf of my colleagues, to protest in the strongest terms, and have it put on record, about the article that Madam President had published in today's edition of the Strasbourg daily newspaper. In it, she voices her belief that it would have come to riots in Austria had the 14 EU States not imposed sanctions against Austria. I utterly repudiate this. In making this comment, not only has the President done the Austrian people an injustice, she has also abused her office, and thereby caused this House, an EU institution, a great deal of harm.

2-069

**President**. – Mrs Raschhofer, I shall gladly pass your comments on to President Fontaine.

2-070

*(The sitting was suspended at 1.23 p.m. and resumed at 3.00 p.m.)*

2-071

**IN THE CHAIR: MR WIEBENGA**  
*Vice-President*

2-072

**Read (PSE)**. – Vice-President, thank you for giving me the floor. With your permission I would like to re-raise the point of order that I tried to make just before the votes this morning. I will re-read the point that I wanted to make.

I currently chair the European Parliament's delegation for relations with the United States of America and would like to raise a point of order under Parliament's rules concerning parliamentary delegations. It has come to my attention that a group of EPP Members visited the USA in July. Normally I would regard this as a private matter, but in the programme for the visit, which I can supply to you, the group is described as a delegation and in particular Mr Robert Goodwill, MEP, is described as leader of the delegation.

This of course puts the visit in an entirely different context. An official delegation from Parliament, which I headed, visited the United States of America in June. I think that you will understand that confusion may well arise when another group of MEPs arrives in the USA some three weeks later as, to all intents and purposes, a second European Parliament delegation. I know that there was a strong anti-European tone to their reports, and this, of course, is a matter for the EPP, but when damaging and derogatory remarks about the European Union stem from what is purported to be an official visit from the European Parliament, I feel that the matter should be raised here.

I would ask you as a matter of urgency to investigate whether Parliament's rules have been broken. Could you also ascertain whether the Members concerned had a formal invitation from relevant bodies in the USA and intend to declare their visit in the Members' register of interests? I will of course pass on the other documentation that I have received.

2-073

### Approval of the Minutes of the previous sitting

2-074

**President.** – The Minutes of yesterday's sitting have been distributed.

Are there any comments?

2-075

**Gorostiaga Atxalandabaso (NI).** – Mr President, in the Minutes, in point 2, you can see at the end, after Parliament observed a minute's silence in memory of those who had died, the Minutes said: "Mr Gorostiaga Atxalandabaso spoke." Actually there is no mention of what I said. But if you look at the verbatim report you can see that there is a very important error which could mislead people. The verbatim report says, at the end of my words: "The action of ETA is a righteous expression of the struggle for recognition" ... etc. My words were: "The action of ETA is the enraged expression of the struggle for recognition of something quite elementary." The right to exist as Basque.

You can understand that the difference is a very substantial one. I would like to amend it. I would ask for responsibility to be taken for that because if you look at the Spanish press today, everybody has taken these words as the real ones. That is at least based on a reference but then some mass media in Spain, whereas I cited Hegel as a quotation, have put in Nietzsche and this is no coincidence at all.

I am afraid I am faced with a determination to put words into my mouth which I did not say. That is my protest. I would like to amend what is in the verbatim report. To say in the Minutes that I spoke is not sufficient. You must record the sense of what I said yesterday.

2-076

**President.** – Mr Gorostiaga, if you feel that you have been misquoted, you have hereby been given the opportunity to report this. This too will be included in the Verbatim Report. We will of course examine how this has happened. I am taking note of this now.

*(The Minutes were approved)*

2-077

### Agenda

2-078

**President.** – As you are aware, Parliament decided this morning to add a communication by Mr Verheugen on enlargement to tomorrow's agenda at 5.00 p.m. Mr Prodi, President of the Commission, has also expressed the wish to make a communication on this subject matter. Since Mr Prodi is to leave Strasbourg by 5.00 p.m. at the very latest, I suggest bringing the Commission communication forward to 4.00 p.m. The debates will consequently be resumed after the Commission communication until Question Time (Commission) which commences at 5.30 p.m..

Are there any objections to this?

2-079

**Poettering (PPE-DE).** – *(DE)* Mr President, I wholeheartedly agree with what you have said, and also welcome with open arms the fact that President Prodi himself is to make a statement. All I would ask – and the group chairmen in attendance will support me in this – is that the group chairmen are also given the opportunity tomorrow to make a brief statement of their position. This has not been scheduled yet, but I would ask if it could be attended to, so that we too are able to make our positions clear. There is no need for it to be a long statement, but the group chairmen must be given this opportunity. I would urge you to arrange this accordingly.

2-080

**President.** – Mr Poettering, Parliament is sovereign. If, therefore, you express this wish and I feel that you do so on behalf of many, especially your own colleagues, then I have no objections to granting you this wish, and this means that the group chairmen will also be taking the floor.

Are there any objections?

Then the decision is as stated.

2-081

**EU external action priorities (continuation)**

2-082

**President.** – The next item is the continuation of the debate on the declarations of the Council and the Commission on EU external action priorities.

2-083

**Van den Berg (PSE).** – (NL) Mr President, many thanks for allowing me to continue this morning's debate. The Socialist Group has a need to recognise for itself that Europe's position on the world stage has undergone a dramatic change since the fall of the Berlin Wall, when traditionally, foreign policy was adopted by national states which continue to play a major role, of course. We also noticed that our own governments often thwarted each other in their efforts to adopt effective external policy. We are now in a position where we can gradually see these governments taking joint steps and the European Union setting up a growing common foreign policy. And in our view, and this was also explained very clearly by Mr Patten, with regard to those external actions, "foreign policy" involves more than traditional foreign diplomacy as we knew it but also touches upon concepts such as security – and embraces a much wider concept of security – the environment, conflict prevention, trade and relations in all kinds of areas. It encompasses development cooperation and naturally the traditional tools of foreign policy. This has culminated in an enriched foreign policy for the EU and has also resulted in the integration of the Commissioner for External Relations, Mr CFSP, Mr Solana, and the Council who all have a particular role to fulfil. It is unfortunate that Mr Solana was unable to be here to make a contribution of this kind.

We would actually like to emphasise that there are three priorities for which we need to find a balance simultaneously. Firstly, of direct concern are our neighbours, in other words eastward enlargement. Our second priority is the strategic aspect within MEDA. This is the second area which touches upon traditional relations within NATO, the G7 and the other contexts within which we cooperate with America and the other traditional partners. The third priority is easily forgotten but in our eyes essential, namely that of Europe as the bearer of values in the world, or, in other words '*a global player in a global village*'. In this respect, it is essential to regard the fight against poverty as a key contribution in our policy, rather than according it a minor position within foreign policy. Mr Patten, Mr Nielson, ladies and gentlemen, and the Commissioner for External Relations, you could, in fact, extract new value, new quality and effectiveness from this, working in tandem with Parliament. We very much regret the fact that heading 4, the role of our Parliament and the tasks which we actually have to fulfil in the process are still being sidelined to such a degree. All too often, we find that the Council follows its own line of thought and this is no longer the way in which we can market modern foreign policy which covers a wide range of issues. We therefore hope that we can once again drive our message home. We hope that this new policy takes account of the budget and can be accompanied by an involved and powerful European Parliament that can have its say and is taken entirely seriously. We would welcome a positive response from the Council and Commission with regard to this new policy in these matters too.

2-084

**Cox (ELDR).** – Mr President, I welcome the resolve that was shown here today by the French Presidency and the Commission in placing emphasis on enlargement as the key priority for the external action of the Union. I hope that when we come to deal with the matter in the House tomorrow the Verheugen incident will have simply served as a timely reminder that we must get our signals clear and avoid giving mixed messages with regard to this strategic priority.

With regard to the matter in hand, I should like to pick up on a point made by the Commissioner earlier today when he talked about the attempt to make foreign policy more effective and to warmly welcome and subscribe to his view on the indivisibility of the Union's foreign policy. If we take the Barcelona process, the Middle East peace process, our relations with the Western Balkans, our relations with Russia, clearly there is a vast area of policy to be covered and a wide variety of instruments. It is clear that a successful foreign policy cannot stand on one pillar alone. Even if the conduct of foreign policy – and in particular, the security and defence dimension of foreign policy – is essentially for government, it follows that because of the nature of the policy terrain and the instruments available it cannot be government's exclusive concern. The Commission is right to demand its right of association under the Treaty and, through that, for this Parliament to demand its right of accountability and scrutiny.

A second general point I should like to refer to is in respect of the efficiency of policy. Here too the new Commission – and in particular, Commissioner Patten – deserve to be congratulated, first of all for revealing to us the extent of the horror that much of the policy had become. Let me recall one of the results of these inquiries: in the past five years the average delay in the disbursement of committed funds has increased from three years to four-and-a-half years. For certain programmes the backlog of outstanding commitments is equivalent to more than eight-and-a-half years of payments. That clearly is a farce in anyone's analysis. It has to be said in fairness that the former Commission led by Jacques Santer was as much a victim as an author of this process. This is an accumulation of an ineffective and inefficient system over years. We welcome the commitment to an urgent review of that process.

On behalf of the Liberal Democrat Group I should like to lay particular emphasis on our distress at the code of secrecy rather than the code of transparency normally promoted by the Council. Blanket secrecy is not the way to legitimise an evolving Community policy. My group deplores the fact that this code of secrecy was slipped in during the Parliamentary

summer recess, with no Parliamentary consultation and by written procedure. It amounts to a form of intergovernmental conspiracy against citizens' right to know. I want to hear from the Council today what role it feels it is prepared to accord to this House in terms of the scrutiny and accountability of issues which may be intergovernmental but which cannot stand on one pillar alone?

2-085

**Hautala (Verts/ALE).** – *(FI)* Mr President, as the European Union assumes new powers we might expect that transparency in this matter and parliamentary monitoring would increase at the same rate. Now, it would seem that the European security and defence identity is making dramatic progress in the wake of the Helsinki summit. It appears, however, that the Council has been resorting more and more to the intergovernmental process in this, so much so that it has threatened even to bypass the Commission, something quite unheard of, as far as I am concerned. The Commission must have a strong role to play in this process.

Just like my colleague, Mr Cox, I too strongly condemn the fact that, during the summer recess, the Council produced very significant restrictions on the public's right to gain access to documents relating to matters of security and defence. Obviously, nobody is claiming that confidentiality and even secrecy are not necessary from time to time, when it is a question, for example, of operational matters in defence policy. But the Council's decision seems to be leading to a situation now where the whole development of the security and defence policy in the political sphere can no longer be properly monitored, being, as it were, beyond that. The public can no longer follow the development of security and defence policy, and neither can Parliament monitor it properly.

We here in Parliament have discussed this situation, and the Committee on Legal Affairs and the Internal Market, in which I am involved in the discussion of the issue, is looking into whether Parliament should possibly take the Council to court on account of this decision, which is a clear violation of Parliament's rights, and weakens our citizens' already barely attainable rights of access to documents. I demand a clear explanation from the representative of the Council, and I would be very grateful if the Commission were also to comment on the situation.

2-086

**Miranda (GUE/NGL).** – *(PT)* I shall be very brief, Mr President, as I only wish to discuss one very specific aspect of the European Union's external actions. I feel that, although this is a very specific issue, it nevertheless deserves our utmost consideration and is of great concern to us. I am referring to the obvious trend towards placing less and less value, in terms of both our attention and resources, on cooperation with developing countries.

I realise, of course, that we have other objectives and that these too must be given the appropriate consideration. Nevertheless, I think that, because of the expectations that are created, because of the European Union's responsibilities and even because of the new problems facing developing countries, for all these reasons, taking account of these very important parts of the world must be a major factor in determining our actions.

I would emphasise one aspect in particular: we need, in this context, to have our own independent strategies that confirm the European Union's position in this field. This concern has arisen mainly as a result of the successive budgetary cuts in the field of cooperation which, to a certain extent, illustrate and endorse the fears I have just mentioned, which I feel we must lay to rest once and for all.

2-087

**Dupuis (TDI).** – *(FR)* Mr President, Mr President-in-Office, Commissioner, ladies and gentlemen, I should like to start by addressing a brief remark to Mr Patten. The document on which we are preparing to vote deplores the slide towards intergovernmentalism which is creeping into our common foreign and security policy and that this somewhat contradicts the Commissioner's speech this morning, in which he said that foreign policy would remain a matter for national governments. I therefore feel that the question should perhaps be broached with greater flexibility. In politics, we never use the word "never". I think that the European Parliament is fairly reticent on this question, but Mr Brok's intervention demonstrated that no one here in this House continued to feel that it was still possible and absolutely vital to communitise foreign policy.

I should like quickly to ask the President-in-Office two questions. I was interested to read of a recent Franco-German initiative to unite consulates. Does the Presidency-in-Office entertain the idea of rapidly communitising foreign policy and, more importantly, of giving a Union embassy the task of representing all the Member States of the Union in the fifty countries in which no Member State of the Union is represented?

My second question is this. I was interested to note, Mr President-in-Office, your obvious lack of enthusiasm for the European Union/China summit, which pleases me greatly. Does that mean that the so-called policy of critical dialogue with China is dead and buried and would you be prepared, as the President-in-Office, to address the question of the recognition of the Tibetan Government in exile at your next meeting with the Chinese if no agreement on the new status of Tibet is reached within a reasonable period of time?

2-088

**Salafranca Sánchez-Neyra (PPE-DE).** – (ES) Mr President, I believe it is important not to lose sight of the objectives pursued in the course of this debate. In my opinion, there are two:

Firstly, to guarantee more effective, coherent and visible external action on the part of the European Union. What would be the point of having more than 40 000 officials in more than 1 500 diplomatic missions between the Commission and the Member States – twice the number the United States has – if our activity really is not sufficiently efficient, coherent or visible? I believe that Mr Patten expressed this very well in his intervention when he demonstrated that he had at least read the joint motion for a resolution which we have negotiated in Parliament.

Secondly, to take note of the fact that the days when the European Parliament simply rubber-stamped the priorities established by other Community institutions have finally been assigned to history.

Mr Moscovici, in the coming months we will have to make important decisions in the field of the nascent, embryonic defence policy. During the Balkan crisis the inadequacies of the European Union were made blatantly clear. In the United States there is currently a great debate taking place concerning defence expenditure. We will soon have to hold this debate here in Europe. We in Europe will not only have to consider this expenditure but also the structure of this spending.

The incompatibility and heterogeneity of the Member States' investments in this field – the national views – make this such a difficult debate that we will have to consider other added problems such as interinstitutional disputes. This Parliament would clearly have preferred the figure of the High Representative to be answerable to the Commission. Instead, it has been answerable to the Council, and this is something we have to accept, as we also have to accept that the Commission must play a role. Mr Patten is right when he says that we have to clarify and resolve a series of tensions between the intergovernmental realm and the Community realm. This dispute between the institutions must be resolved, and the European Parliament must not simply be serving at the table, but it also wishes to take its place in the kitchen.

2-089

**Lalumière (PSE).** – (FR) Mr President-in-Office, Commissioner, with my French colleagues in the Group of the Party of European Socialists, I naturally follow the external actions of the European Union with great interest. In general we favour a strong European Union presence on the international scene. That implies firm and unswerving commitment from the Council itself first of all. You spoke of high ambition, Minister, and I was pleased to hear it. But that also presupposes a Commission genuinely capable of action. That is what the Commissioner wants and I hope he is getting, and will get, the political, administrative and financial resources he needs to put his ideas into practice and make the CFSP really effective and efficient.

But in this short speech, I want to focus on enlargement. A recent interview with a German newspaper stirred up some turmoil. For us, however, it is clear: there is no question of slowing down the enlargement process by introducing new requirements or a variety of delaying tactics. On the contrary, we must do everything we can to move it forward, as you just reaffirmed, Minister, and of course that does not exclude either rigour or vigilance. A slapdash enlargement would obviously be a great mistake.

Having said that, we are conscious of the problems due to public opinion both within the fifteen Member States and in the candidate countries. Public opinion is very ill informed and can veer from irrational enthusiasm to a sense of discouragement to outright hostility. A great deal of work undoubtedly needs to be done if the long and difficult process of enlargement is to have solid, clear-sighted and determined popular support.

2-090

**Schroedter (Verts/ALE).** – (DE) Mr President, the foreign policy of the European Union can only be successful if it satisfies three main criteria: clarity, credibility and transparency. Mr Patten, we will continue to push for this, even though you believe that we should at last put an end to the game of ping pong. As far as I am concerned, it has started and can only finish if a constructive solution is found. Otherwise this will lead to further competition between the institutions.

I believe the speech you gave in Paris was significant in this respect. It is true that there should at last be open discussion on how to pursue a truly coherent foreign policy. The European Parliament will play an important part in this. You said yourself that it will only be possible to achieve credibility – your second point – if the European Union employs all its capabilities, i.e. all three pillars, and particularly the first with its financial and economic means, in preventive conflict management, and if the EU promotes stability overseas by making proper use of its economic instruments and using its political means to achieve real cooperation.

After all, we know that we must take a considerably broader view of the issue of protection. Protection of the environment, the individual and human rights cannot be secured through one pillar alone. In the same way, preventive conflict management is not just about the deployment of a police force; it involves all three pillars. As far as the last point, that of transparency, is concerned, my group has made it quite clear today that we do not accept, nor will we accept, that access to these documents should be restricted. Transparency is Parliament's watchword, and we will continue to demand it from the Council and the Commission alike. We will revisit this theme at a later stage.

2-091

**Oostlander (PPE-DE).** – *(NL)* Mr President, I was interested to hear the President-in-Office mention the four priorities which the Presidency-in-Office envisages for the future in the field of foreign affairs and defence. Two of these priorities also concern the resolutions, namely the selection of tools which are needed to achieve this and the development of the common foreign and security and defence policy itself. Commissioner Patten, the Vice-President of the Commission, reacted to this in his own way and remarked that the European Union is in fact extremely resourceful. The lion's share of aid – two-thirds in fact – originates from our European Union. Enlargement is on the agenda and he also mentioned the promotion of stability, at which point I started to have my doubts. When he then mentioned the fact that the EU should have its own identity on the world stage, I thought: I would love to share this objective with him but in a way which would take account of European responsibilities.

Needless to say, this identity can only find expression in true European policy. European responsibilities can certainly not be divided among fifteen to thirty or perhaps more Member States. This does not mean that there will be no Foreign Affairs Ministers in the Member States. They will certainly be kept on, just like the Ministers for Economic Affairs or certainly those for Education. Once European responsibilities are identified, they should in any event not be divided up and they should also be truly based on a European vision and European values which we share here in this Parliament.

This is not about a simple bureaucratic division of powers between institutions or a power-crazed Parliament or such like. This is about a practical solution: how can we solve the problems we have encountered? This is about the fact that our policy was unable to prevent the suffering in Bosnia, which claimed hundreds of thousands of victims. That is what this is all about! We need to ask ourselves how we can prevent this. This is when we say as a Parliament: we need European policy; otherwise we will not succeed.

2-092

**Wijkman (PPE-DE).** – *(SV)* Mr President, first of all, I want to say thank you both to the French Presidency and to Commissioner Patten for their excellent contributions this morning. The priorities established deserve all our support.

Time permits only a couple of remarks on my part. I choose to concentrate on the deficiencies in the implementation of the Union's development cooperation. Commissioner Patten deserves praise for the openness with which he describes and has described the problems. My own experience when, in a responsible post within the UN's development programme, I sought cooperation with the Union at national level with a view to assembling and coordinating forces in different areas was that, as a rule, it did not work, either because almost every decision in the EU's case needed to be taken in Brussels and also because of the lack of qualified staff within the area concerned. All this made cooperation with the EU difficult and incredibly time-consuming. The UN has its problems with bureaucracy and dilatoriness – I am the first to admit that – but, where development work and development cooperation are concerned, the EU was lagging far behind, in any case a few years ago.

The conclusion I draw is, first of all, that the Commission must radically decentralise the right of decision-making to national level. "Brussels", with all its administrative levels, must relinquish a large degree of control.

Secondly, it is important to ensure that the Commission has an adequate number of qualified staff to carry out the operations about which decisions are being made.

I know, Commissioner Patten, that this is the direction your politics are taking right now. I would just emphasise that it is a matter of urgency. If there are no rapid improvements, I fear that the Commission's support for development cooperation will gradually disappear. That would be a pity, given that well-developed multilateral cooperation has many advantages and that the Union needs such an instrument in order to be able to play a proactive role on the international stage.

2-093

**Gemelli (PPE-DE).** – *(IT)* Mr President, the President-in-Office's speech seemed to me to be rather on the biased and general side, but I found that Commissioner Patten's speech was realistic and focused well on the different problem areas.

We therefore now need to discuss the different issues. Firstly, tomorrow marks the start of a major UN session where 159 Heads of State will be present. In what form will the European Union be present and at what level? I feel that it is extremely important for us to establish ourselves at the very highest level and to make our presence felt.

A discussion on priorities should include economic policy, but our economic policies are all inward-looking and only concern the interior of Europe.

It is also just as important not to let go of development policy, for that creates stability and peace and has to target Russia and China as well as developing countries. In my opinion, it is not right to ask us to choose between the Balkans and developing countries. The Member States need to take these factors on board.

Working towards constitutionalisation of the European Union, one benefit of which would be institutional citizenship in international bodies, the creation of a European diplomacy as per the Galeote report, the cultural concern which we must take on board in order to avoid fresh incidents of colonialism, the support and valuing of democratic processes which have also been established in certain countries such as Iran, and the regulation of relations with NGOs, which could become the operational arm of the European Union – these options could all contribute to an effective political initiative for developing countries, an initiative which would assert the supremacy of European civilisation in terms of a quest for solidarity to improve quality of life and bear witness to respect for human dignity, celebrating it in every corner of the world.

2-094

**Morillon (PPE-DE).** – (FR) Mr President-in-Office, this morning you mentioned the report Parliament has asked me to present on Turkey's accession process. I think I can announce the body of the conclusions today.

Like the Commission, Parliament salutes Turkey's endeavours in drawing up a programme for developing its legal arsenal to comply more closely with the requirements of the European Union, especially in terms of respect for human rights. At the same time we understand the stir caused among the various political parties and public opinion as it recognises the magnitude of the reforms that country must agree to introduce before it joins the Union.

We want our partners to know that the European Union has no intention of interfering in their domestic affairs, but is offering them a contract under terms now redefined under the accession partnership and the agreement on the Charter of Fundamental Rights. It is up to them to accept or refuse that contract.

In that connection, I believe we must have the courage to tell the Turkish people that there are at least two prior conditions governing its accession to Europe. First, respect for the need for identity. This is being demonstrated across Europe by our fellow citizens all the more clearly because they have the greatest desire to protect their roots in the face of the ineluctable progress of globalisation. Europe is resolute in recognising that need for identity, aware that its diversity is the source of its wealth. That is why it insists on the rights, but also the duties, of minorities. That is the spirit in which the Union proposes to help Turkey find a solution to the Kurdish problem.

There must also be a solution to the Cyprus problem as soon as possible, because nobody in Europe would accept a wall continuing to divide it, like those of Berlin, Beirut and Sarajevo (amongst others), which have now, fortunately, come down.

2-095

**Van Orden (PPE-DE).** – Mr President, our debate today reveals a continuing difficulty at the heart of the European Union's approach on foreign policy. Is the intention to give an enlarging group of European nations a stronger voice on the world stage and improve the coordination and effectiveness of their policies on a range of issues? If so, I can support this. Or is the ambition to move towards a European state, with its own foreign and security policy backed by its own diplomatic service and army? This concept I wholeheartedly reject. It is certainly not wanted by the British people, nor, I believe, is it wanted by many of the citizens in the rest of Europe. They have never been asked in honest terms.

Mr Patten today reiterated his view that for the indefinite future there will be national foreign ministers. But this is only half the problem. What will be the content of their jobs in ten years' time if the EU continues on its present course? After all, once EMU is fully established there will still be finance ministers in the euroland countries. But how much real responsibility will they have? Clearly there are many in this House who are quite open in their advocacy of a single foreign ministry for Europe and the Galeote Quecedo report which was voted on today with its proposals for a permanent Community diplomatic service is, I am afraid, a step in this direction.

I am also concerned by the extent to which many want to define European foreign policy in terms of its distinctiveness from the United States policies, sometimes even deliberate hostility to the United States positions. A priority for the European Union must surely be to break out of this antagonistic mindset and instead seek, as a primary aim, to contribute to western solidarity. The best forum for dealing with security policy issues is NATO rather than the European Union and the danger is that the common European security and defence policy, with its emphasis on an autonomous capability, will undermine the alliance which served us so well during more threatening times.

2-096

**Dupuis (TDI).** – (FR) Mr President, some of us have asked the President-in-Office and Commissioner Patten specific questions. I realise the debate has been particularly badly organised, being split into two halves, but could we at least have written responses?

2-097

**President.** – This is certainly an option, and I assume that the Commissioner as well as the Minister would be prepared to reply to the Parliament in writing. Unfortunately, I have to say that we have no time left today to continue the debate and allow responses.

At the end of these explanations, I have received six motions for resolutions in accordance with Article 37 (2) of the Rules of Procedure<sup>3</sup>

The debate is closed.

The vote will take place tomorrow, Wednesday, at 12 noon.

2-098

### Financial year 2001

2-099

**President.** – The next item is the submission by the Council of the draft budget for the financial year 2001.

I would also like to thank Commissioner Patten for being here.

2-100

**Moscovici, Council.** – (*FR*) Ladies and gentlemen, today, on behalf of the Council Presidency, it is my honour to present the draft budget of the European Communities, as drawn up by the Council on 20 July.

As you know, my colleague Florence Parly chaired that Council, but unfortunately she cannot be here today, so please accept her apologies.

First of all, I would like to pay tribute to the excellent work done by the Portuguese Presidency ahead of the Council's adoption, at first reading, of the draft budget for 2001. I would also like to highlight the excellent climate in which this budgetary procedure has opened. This year, the provisions of the new interinstitutional agreement of 6 May 1999 have taken full effect. The first session under the triologue procedure bringing together the European Parliament, the Council and the Commission was held on 6 July, here in Strasbourg, and demonstrated its usefulness in terms of better mutual understanding of our respective positions and priorities.

The conciliation meeting between the European Parliament and the Council, which took place on 20 July, was, I think, very positive. In particular, it became possible to find a great many points of agreement between institutions and make good progress on potential sources of disagreement. I hope we can continue to work in the same spirit and produce a budget for the European Communities for the financial year 2001 which gives us the resources to meet the priorities and challenges the European Union is about to face.

Firstly, I want to set out the major guidelines which have determined the way the Council has drawn up this draft budget before going into more detail – though not at length – on the various categories. In the first place, the Council has ensured proper funding, after identifying clear priorities and real needs, for the European Union's various actions, especially those in the area of external relations, which we were talking about just now – albeit with a gap.

So the evaluation of the likely implementation of the appropriations has been taken into account for commitment appropriations. The Council has also paid special attention to the development of payment appropriations, setting their increase compared with 2000 at a maximum rate of 3.5%, which in particular takes account of the capacity for implementation and the probable rate of payments entailed by the balances to be settled. That growth, which is much higher than the Member States authorise for their national budgets, plus the forecast inflation for 2001, is a mark of the Council's determination to ensure satisfactory financing of all European Union policies.

Finally, this draft budget remains totally in keeping with the interinstitutional agreement of 6 May 1999 on budgetary discipline and improvement of the budgetary procedure. In particular the Council felt it was absolutely essential to respect – and I stress this – each of the annual expenditure ceilings set by the financial perspectives which our three institutions, Parliament, the Council and the Commission, signed up to a year ago.

Those are the bases for the draft budget for the financial year 2001, drawn up by the Council on 20 July, to provide for EUR 95.9 billion in commitment appropriations, an increase of 2.7% over the budget for 2000, and EUR 92.5 billion in payment appropriations, an increase of 3.5% over the budget for 2000.

Particular importance has been accorded to the increase in the importance of appropriations for aid to the Western Balkans, a repeatedly affirmed priority and one I reaffirm here, because I do not accept the comment earlier about 'chaos'. The situation is sensitive, but not chaotic. There is work to be done, and work is being done. The Council hopes to convert this priority into figures with a total appropriation 30% higher than in 2000. The EUR 614 million adopted by the Council will ensure funding of all foreseeable needs.

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<sup>3</sup> See Minutes.

I would add – and of course this is important in our discussions – that it has been possible to earmark such a significant amount without having to revise the financial perspectives aimed at strengthening category 4, as proposed by the Commission. The Council has also ensured the funding of all the European Union's other policy priorities.

Without launching into an exhaustive description of the Council's draft budget, which is in any case the subject of the detailed explanatory statement circulated to you, I would now like to present the Council's 2001 draft budget decisions in a rather more specific way, that is, by category of expenditure.

First, as regards category 1 of the financial perspectives relating to agricultural expenditure, the draft budget provides for an increase in commitment appropriations of 6.3% in relation to 2000 in order to fund the CAP reform agreed by the European Council in Berlin in March 1999. Nevertheless, for sub-category 1a of the financial perspectives, covering CAP market expenditure, the Council decided on figures some EUR 330 million lower in total than those proposed by the Commission in its preliminary draft.

In fact, there is under-implementation of these appropriations every year. The Council therefore felt that it could achieve a reduction by targeting some traditionally underspent budget lines. By doing so, it is also demonstrating the will to make special efforts to achieve significant savings in the compulsory expenditure and not just in non-compulsory expenditure. The savings made, in comparison with the Commission's preliminary draft budget, do not prevent the Council providing for an increase, which also responds to Parliament's concerns, in two budgetary lines: for the distribution of milk to schoolchildren, which I know has been the subject of massive correspondence for more than a year now, and promotion of product quality.

For expenditure related to rural development, taking account of the delays which have built up in the approval and implementation of national rural development plans, the Council felt that a margin of EUR 225 million, under the ceiling of sub-category 1b of the financial perspectives, could be earmarked. The development of these appropriations, however, shows an increase of 4.6% compared with 2000, an increase which reflects the priority the Council accords the appropriations allocated to what now constitutes a second pillar of the CAP.

So the draft budget drawn up by the Council includes margins available under the ceilings of sub-categories 1a and 1b of the financial perspectives. However, I want to specify that the Council is, of course, prepared to re-examine agricultural expenditure this autumn in the light of the content of the letter of amendment the Commission will be presenting and to reconsider, at that time, developments in market and rural development expenditure.

As regards structural actions, covered by category 2 of the financial perspectives, the Council has budgeted this whole category as commitment appropriations in line with the conclusions of the Berlin European Council of March 1999 and, in addition, it has renewed all the payment appropriations entered in 2000. But it hoped to increase the Cohesion Fund allocations by some EUR 360 million over provision in the Commission's preliminary draft, to take account of the forecasts for implementation of these credits in the Member States.

On category 3 of the financial perspectives relating to the funding of internal policies, the Council was primarily intent on ensuring the appropriate funding for the multiannual programmes while respecting, where applicable, the programming decided jointly with Parliament. That is why it has accepted the amounts requested by the Commission in its preliminary draft budget for the framework programme for research and development as well as for the trans-European networks. It has done the same with regard to the appropriations requested to improve the financial environment of SMEs and the start up of the LIFE 3 programme. The Council believes the right amount has been identified to get the LIFE 3 programme off to a good start.

As regards the extension of the 'Employment' initiative, agreed by Parliament to strengthen the employment dynamic begun by the Amsterdam European Council, the conciliation meeting between the European Parliament and the Council held on 20 July demonstrated that this subject represents a priority for both our institutions for the 2001 budget, especially in terms of building on the conclusions of the Feira European Council. However, the Council is waiting for the assessment of the previous initiative soon to be delivered by the Commission with a view to seeking agreement with Parliament about its funding in the context of a global agreement during the second reading.

Furthermore, it has identified a precautionary margin of EUR 208 million more than the one in the Commission's preliminary draft budget, the objective being to have enough room for manoeuvre over and above a necessary margin under the ceiling of category 3 to deal with the new priorities shared by the Council and by Parliament, such as the 'employment' initiative I mentioned earlier.

I now come to the financing of the European Union external actions covered by category 4 of the financial perspectives. I do not need to remind you, after the debate we had just now, of the high priority the Council accords to aid to the Western Balkans. Here, as I have already indicated, the draft budget provides for an increase of 30% in comparison with 2000. The

EUR 614 million adopted by the Council will be enough to finance all the foreseeable needs. This figure is based on the only evaluation of needs currently available, set out in the 1999 World Bank report on rebuilding Kosovo.

Wishing to be pragmatic, the Council is renewing but not increasing the appropriations intended for Serbia, as it is not yet eligible for Community assistance beyond the aid for democracy and civil society included in this envelope. In general, the Council would like to see the implementation of effective and credible intervention in the region, based on an analysis of needs, adaptation of levels and types of aid to the nature of those needs, and distribution of effort between all the bilateral and multilateral donors.

As regards the other budget titles, although the Council has maintained the major allocations, for a limited number of budgetary lines it has not retained all the appropriations the Commission asked for in its preliminary draft budget. I am thinking in particular of the TACIS programme, the funding of KEDO, the international fisheries agreements, the rapid reaction arrangements and the MEDA programme. On the other hand, the Council has kept to the Commission's preliminary draft for the vast majority of the other cooperation programmes.

However I want to emphasise, as regards the MEDA programme, that the draft budget provides for an amount of EUR 701 million which is higher than the annual average allocation over the period 1995-1999. The reduction of EUR 150 million made by the Council in comparison with what the Commission is asking for, takes account of the stock of still unpaid commitments still on this programme, and that represents several years of implementation. I take this opportunity to remind you of the Council's determination to contribute to better management of the programme, an indispensable prior condition, in our view, to enhancing our efforts.

Despite this reduction – motivated by the need to reabsorb the outstanding balance – the MEDA programme naturally remains very important to the Council. The French Presidency's objective is to achieve the adoption of the new multiannual regulation for MEDA soon and it will in particular be listening to the European Parliament on this subject. I would also like to reaffirm the Council's commitment to the accession process for Cyprus and Malta, and here I want to congratulate Mr Morillon on the conclusions of his report, which he outlined earlier. We look forward to reading the report with interest, not to say impatience. Consequently we have followed the Commission by grouping the appropriations asked for together under the heading of 'pre-accession strategy'. However we have not followed up the Commission's proposal for a revision of the financial perspectives, transferring these appropriations to category 7, and we have kept them in category 4.

Finally, I want to express my satisfaction that agreement was reached at the conciliation meeting between the European Parliament and the Council on 20 July on the amount of the appropriations to be included for the CFSP, as well as the transfer of the administrative expenses for CFSP special representatives, to the Council's budget, in accordance with the institutional agreement of 1999. This agreement has given rise to the drafting of two joint declarations, one of which specifies that the sums included in the Council's budget under the heading of CFSP administrative expenses should take account of their impact on the general position for category 5, while the other commits the Council to ensuring that the estimates for administrative costs anticipated for each new CFSP decision are transmitted in good time to the other branch of the budgetary authority.

As you can appreciate, the Council has therefore tried to fund the various priorities in the field of European Union external actions appropriately and in doing so it has earmarked a margin of EUR 184 million under the ceiling of category 4 of the financial perspectives. In drawing up its draft budget for the administrative expenditure covered by category 5 of the financial perspectives, the Council has been concerned to stabilise current expenditure, while taking account of the exceptional needs of the institutions, especially as regards staff for the Anti-fraud Office and the Court of Justice. As regards the Commission's budget, the Council did not make any decision in July, as it was awaiting the letter of amendment from the Commission which has just been presented, so the Council will now be examining that proposal and applying the lessons from the reorganisation work headed up by Neil Kinnock. The Council is ready to do whatever is necessary to examine this letter of amendment so that its incidence can be taken into account as from first reading by the European Parliament. To that end, there is a margin of EUR 113 million under the ceiling of category 5 of the financial perspectives.

I wish to conclude this overview of the various categories of expenditure with the expenditure on pre-accession aid. For these the Council has kept the Commission's figure for commitment appropriations. For payment appropriations, the Council has adjusted the Commission's preliminary draft budget figure downward by EUR 300 million. In line with the logic prevailing for the other categories, the Council has taken maximum account of the substantial underspend of these appropriations in 2000. Despite this reduction compared with the Commission's preliminary draft, the pre-accession payment appropriations recorded a strong increase of 10.8% compared with 2000, which again reflects the importance accorded this expenditure as absolutely vital to the proper preparation of our major political aim, the enlargement, a priority shared by the Council, the European Parliament and the Commission. Naturally, I wish to take this opportunity to say that I am sure the discussion between Mr Verheugen and the European Parliament, tomorrow, will make it possible to

eliminate a number of misunderstandings. I know Günther Verheugen well, I know how committed he is to enlargement and how hard he is working for its success.

Before I end, I would like to take this opportunity to say how pleased I am about the agreement reached, at the conciliation meeting between the European Parliament and the Council on 20 July, on a statement on financial programming. Under the terms of this joint declaration, the Commission will now be obliged to evaluate the financial consequences of each of its new proposals, in particular for categories 3 and 4 of the financial perspectives. I am sure that will be a fundamental factor in clarifying the decisions of the budgetary authority. Anyway it will undoubtedly mean better budgetary forecasting and should be extremely useful during future budgetary procedures.

To conclude this overview, which I think has been as brief as it could be, I think, the draft budget being forwarded to you offers a balanced compromise whereby the European Union's priorities can be funded while absolutely fundamentally respecting the Berlin financial perspectives – and we all know that it was not easy task to define them. The 1999 interinstitutional agreement established conciliation between the institutions in the course of the budgetary procedure, and we are all bound to benefit this year and in the future.

In this connection, I am pleased with the progress we were already able to make, even before adoption of the draft budget at first reading by the Council, in bringing together the points of view of the institutions. It seems to me that the draft I have just presented to you draws a number of lessons from that conciliation. In any case I hope it gives you a good foundation for starting your work on the budget and that it will contribute to the establishment of a budget for 2001 which respects the priorities of each of the institutions, one which is satisfactory in terms of our joint mission, fulfilling our responsibilities towards Europe and its peoples.

2-101

**Schreyer, Commission.** – (DE) Mr President, Mr President-in-Office of the Council, ladies and gentlemen, you will shortly be adopting two regulations that are highly significant in budgetary terms, one being the regulation on budgetary discipline in the agricultural sector, and the other being the regulation on own resources, that is to say, the financing of the budget. On behalf of the Commission, I am able to tell you that we are most satisfied with the outcome of the discussions, and are delighted that these two difficult matters will soon be resolved.

However, the Commission takes a dim view of the outcome of the Council's discussions on Budget 2001. Accordingly, I am bound to contradict the assessment of the President-in-Office. At first reading, the Council concentrated largely on cutting payment appropriations right across the board. The end result was the lowest draft budget of the past ten years, when considering the budget in relation to the EU's Gross National Product.

Now I have already made it clear to this august Chamber on numerous occasions that the Commission considers budgetary discipline to be an extremely important guiding principle, but the Council's approach, i.e. to cut payment appropriations irrespective of the level of commitments entered into in the past which are due for payment, does not constitute sound budgetary policy. The Council's draft budget would cause the following to happen: the payment of arrears, i.e. the arrears of commitments entered into which have not yet been paid, would continue to mount up.

The Commission, on the other hand, supported by Parliament, would like to achieve the reverse, that is to reduce the arrears. I believe that since we are in the happy position in the European Union of having an economy with high growth rates, now is the time to cut the arrears back, not add to them.

The Council has cut payment appropriations in the agricultural policy sphere by more than half a billion euro compared with the Commission's draft. This beggars belief considering the fierce criticism that certain of the larger Member States have levelled at the Commission, because we proposed to release EUR 300 million from agricultural policy in order to make the necessary payments in the Balkans available. Obviously the Council now considers there to be far greater scope for making cuts in agricultural expenditure, but it is not prepared to make the funds available for the new external policy priorities for the Balkans.

As happened last year, there was a very heated discussion on how much aid should be made available for the Balkans, and I would remind you that during the discussions on Budget 2000, the Council took the line that it would not be possible to release the appropriations for Kosovo in any case. Indeed, all the appropriations for Kosovo have in fact been tied up already. The Kosovo agency for reconstruction is proving highly successful in its work, and that is surely something we should all support.

I would like briefly to take up the matter of Serbia, which you also mentioned in your speech. The fact that no provision has been made for Serbia in the draft budget, or only to a very limited extent, sends out the wrong message in my view. We find ourselves in a situation where we are competing in political terms with the dictator Milosevic, and we must convince the people that the European Union is willing to provide assistance. I am standing firm on this: by the end of

2001 we should have EUR 800 million more at our disposal for the Western Balkans than we do at present. Part of this could perhaps be made additionally available before the end of this year. I hope to enlist your support in this matter.

Another word on foreign policy: the Budget Council has cut the funding for the Mediterranean programme – which is also something you mentioned – by EUR 150 million. Putting these cuts into effect would no longer just be a budgetary policy measure though, it would also constitute a change in the foreign policy in this field, a renunciation of the Barcelona process. The Commission believes this to be unacceptable.

Turning now to administrative expenditure, i.e. staffing expenditure: I would point out that the Commission did not request any new posts in its draft preliminary budget, apart from those for OLAF, the European anti-fraud agency. We have now submitted a letter of amendment containing two key points: firstly a request for 400 new posts for the Commission with effect from the year 2001, and secondly, budgetary measures which will enable us to do without the vast majority of Technical Assistance Offices, as per Parliament's request, and, in particular, that of the Committee on Budgets.

I have just this to say about the requests for more posts: at the beginning of this year, the Commission set up a working group under the leadership of the President of the Commission, at my recommendation, which examined the tasks performed by all departments and completed a critical examination of the staffing situation. We ascertained where there was scope for reallocation of staff within and between the departments, with a view to improving the availability of resources for the key areas and for the political priorities, and in order to ascertain where we need to create new posts. Our findings are now available to you. The Commission has estimated that we need 1254 new posts for key activities and political priorities. We can create a vast number of these 1254 new posts through reallocation, which will mean requesting a total of 717 new posts – 400 in the year 2001 and 317 in the year 2002 – particularly if we are to strengthen the areas of external assistance, health and consumer protection and environmental policy, as well as justice and internal affairs.

In addition, we have proposed a one-off early retirement scheme for 600 posts, organised in such a way as to have no impact on the budget, which would drastically reduce the need for new posts. As an interim solution – particularly for the purposes of external assistance – we would ask the budgetary authority to allow us, until such time as a new administrative structure is created, to use the funding that has been available hitherto for the Technical Assistance Offices, for contract staff within the Commission. We would also like to increase funding for the delegations, which are to be more actively involved in the administration of external assistance in future.

The Commission has learnt from past mistakes, which boils down to making clear the fact that the Commission cannot perform miracles; all it can do is make it its business to perform to a high standard. And if we are to acquit ourselves well of our tasks, we need the necessary resources, including the necessary staffing resources.

On a final note, it is fair to say that there are very testing times ahead again for all those involved in the budgetary discussions. I hope we all find the energy and patience we need during this period to meet each other halfway and bring these discussions to a satisfactory conclusion.

2-102

2-103

**President.** – Many thanks, Commissioner.

We will certainly need energy and patience.

2-104

**Wynn (PSE)**, *Chairman of the Committee on Budgets.* – Mr President, can I first of all thank the President-in-Office for his opening remarks and especially his remarks about the good working relationship that we have had between the Parliament and the Council. It is fair to say that relationship has been open and honest and we have tried to get agreements where we can. I thank the French Presidency and the staff of the French permanent representation in Brussels.

I can give good examples. When we had the ad hoc procedures, items were taken on board like the extra milk for schools, 18 million out of the EUR 94 billion budget. It was small items like that which we actually got some agreement on. There was a consensus on the new employment initiative which we are all looking for and there were items like the Fisheries Agreement which we could talk through quite sensibly. That is the positive side.

Of course there is a downside, even in our good working relationship. The downside starts with the things I said before we had the conciliation, during the conciliation and now after Council has voted and produced its draft budget. We are disappointed at the attitude of the Council and its unwillingness to discuss the revision of the Financial Perspective. As far as we are concerned, the Interinstitutional Agreement and Article 20 stipulate that once the Commission had made that proposal, our two institutions were duty bound to actually discuss that proposal. We were told in no uncertain terms that no way would it be discussed.

I will say what I said at the conciliation. The Council's attitude was "hell will freeze over before we will discuss a revision of the Financial Perspective with Parliament". I will reiterate another thing I said: Parliament is not a bit part player in this process, it has a valid role to play. Having said that, we take it as read now that there will be no revision because of what the Council has produced and also because we for our part want to be sensible about this whole process even though there may be no revision. That still leaves us options and decisions to be taken over the coming weeks.

The biggest disappointment was on category 4 and especially the western Balkans. Parliament has sent a special delegation to Kosovo to look at its needs. We have spoken to all the major actors and organisations. We have had a hearing and the figure that we come up with is EUR 814 million for the western Balkans for next year. I say that with reservations because I am assuming this is the figure that we will come up with. According to all the colleagues that I have spoken to it is the same figure that the Commission has. Forget the figure of EUR 5.5 billion, we are not talking about that, we are talking about next year. Yet the Council comes up with a figure of EUR 614 million and if we look at the explanatory memorandum from the Council that is the figure in the light of the international financial institutions' estimates. That is funny because we have consulted the same international financial institutions and we get a different figure.

The reality is it is guesswork on your part. It is a matter of fitting things under the ceiling rather than being objective in your approach to the western Balkans. I just wish the Council would be honest enough to say: we think the western Balkans is becoming a black hole into which we are pouring too much money. I just wish you would be honest enough to say: look we think it has to be reduced because we do not think it is achieving very much.

We have a situation where foreign ministers are saying one thing and finance ministers are saying another thing and that does not help anyone. The Council needs to get its act together on this issue. It still leaves us with the problem of what we have to do at first reading.

The Council also says that it wants to reduce payments, which is understandable. The ideal position for the Council is to have no payments whatsoever, but you have some obligations in this matter. Our worry is what happens to the backlog? It has to be paid some time. Thankfully, Mrs Haug, our rapporteur, will be doing an assessment of each individual line to get some idea of needs, but we still have a situation where although you want to reduce payments the Cohesion Fund is actually increased and again the explanatory memorandum gives no reason for that.

No reason is needed because we know why – it is about horse-trading within the Council. In a normal horse-trading situation you usually end up with a horse. Too often the Council ends up with a donkey and this is another occasion when you are going to end up with a donkey because the decisions you have taken have not been based on objective assessments but on horse-trading within the Council.

On category 3, there are some weird and wonderful proposals, many of which I mentioned during the conciliation process, but there is one which appears once again in your wonderful document the explanatory memorandum, on line B3/309. I need to ask a question about this because I am confused. It says: "It is to be increased by EUR 1.25 million for the Special World Olympic Games in 2003". We are talking about the 2001 budget, but this is for the Special World Olympic Games in 2003. The disabled games are held a month after the normal Olympics, which means that they will take place in Athens sometime in October or November 2004. So what are the 2003 Special World Olympic Games and why are we putting them in the 2001 budget? Is this another matter of horse-trading? God forbid that it should be, but it may well be just another of those situations.

Whilst we have been awaiting the amending letter from the Commission on its staffing needs, we see that the Council has reduced the Commission's administrative expenditure by EUR 25 million. That is on top of the EUR 14 million announced by the Commission after publication of the PDB. We now have a EUR 39 million cut. I thought that the Council was supposed to wait until we had received the letter of amendment before making any significant changes. We have a joint role in this matter.

The letter of amendment is quite a significant document. We began discussing it yesterday in the Committee on Budgets. We will continue discussing it at 5.30 p.m. today, and those discussions will go on. It is a good document, there is no doubt about that, but a lot of questions still need to be answered, for instance on the early retirement scheme and not just where the Commission is concerned, because the proposals being made could well have a knock-on effect for other institutions. That is why, Mr President-in-Office, we need information from you as soon as possible about the attitude of the Council.

I do not doubt for one minute that you will consider the matter carefully, as you have said, but we need to know how far the Council will be going along with the Commission proposals, especially when it comes to the early retirement scheme. Whilst we can agree or disagree with most of what the Commission is proposing, at the end of the day the Council has to bring forward the legislation for the early retirement scheme.

So our two institutions need to sit down and talk this through. I would hate this to degenerate into a ping-pong battle between them. We need to agree on a real assessment of the Commission's needs. If we want the Commission to do the job which we are always asking it to do, then at least in the three institutions we need to be clear about what we are asking it to do and what staffing levels are required.

As to what is next, we in Parliament need to make some hard decisions, not least on the letter of amendment and especially category IV. If we go along with what is proposed in the draft budget or indeed with the PDB, a lot of Parliament's favourite areas, be they NGOs, Asia, Latin America or whatever, will be affected. So our committees, which are voting at present, will be submitting their proposals as soon as they can and we will take the necessary decisions at the end of this month. But the plea I make to the Commission is to give us some early indication of what it is going to propose for the Notenboom procedure. That would help us tremendously.

What is contained within the Notenboom procedure could actually relieve our plight next year. If you can front-load the areas of concern this year and we can carry over into next year or at least use this year, which will lighten the burden for next year, then a lot of our problems can be eased. I am sure that our institutions can come to a settlement along those lines, and then we will have a decent budget at the end of this year.

2-105

**Ferber (PPE-DE), rapporteur.** – (DE) Mr President, Mr President-in-Office of the Council, Commissioner, ladies and gentlemen, I am the rapporteur for the so-called remaining sections of the Budget. This subject matter will seem somewhat dry after the eloquent presentation delivered by the Chairman of our Committee on Budgets. I believe that whilst the small budgets may not be quite as fascinating in terms of policy areas, they are not without interest when it comes to the question as to how organisational and staffing resources can be used to guarantee the effectiveness of the institutions of the European Union. I have a few comments to make on the Council's first reading in this respect, which I have already submitted to the Committee on Budgets in the form of a discussion paper.

I will start with the European Court of Justice. The Council has recognised the difficult situation facing the Court in relation to the translations backlog, and has proposed that 47 new posts be created. At the same time, however, the across-the-board cut was increased from 2.5% to 5.1%, which means that these newly created posts cannot be filled. I believe this is a contradiction-in-terms which has still to be resolved. As rapporteur, I will duly prepare proposals to this end. The situation is further exacerbated by the fact that the funding for the freelance translator reserves, which we need so badly in order to clear the backlog, have also been cut. In other words, for all the Council may have recognised the problem, this is not reflected in the budget in concrete figures.

I have taken a very detailed look at the promotion systems of all the institutions, and I have noticed that the Court of Justice has now followed suit and established a promotion model based on demonstrable merit. Switching over to a new system at the European Court of Justice will necessitate creating a large number of higher grades, which is something we have no hope of achieving within a year. However, we must tackle this over the next few years. This is another issue that the Council failed to take into account at first reading.

Turning now to the European Court of Auditors. The only question that remains to be answered here, relates to the financing of the Court of Auditor's new building in Luxembourg. For reasons that are beyond me, the Council has cut the funding for 2001 from EUR 7 million to EUR 5 million. During discussions at the Court of Auditors, I was assured that the total cost requirement of EUR 25 million at 1998 prices will not be exceeded. I therefore think it would be of more benefit to the European tax payer if the payments were to be made once the respective invoices have been received. I will propose to the Committee on Budgets that we redeploy the Court of Auditors' proposal.

I shall now move on to the Economic and Social Committee. My guiding principle for the budgetary procedure for 2001 can be summed up by the following new High German expression: value for money. Needless to say, the same holds true for the Economic and Social Committee. The ECSC's working method and public image are extremely dubious. Hence my proposals are geared towards raising the productivity of the Economic and Social Committee. In particular, the promotion policy of the Economic and Social Committee requires careful scrutiny. I hope that, as budgetary authorities, we will be able to put our heads together and come up with ideas that will lend the necessary weight to the ECSC's endeavours in this field.

We should also reflect on the role of the Secretariat of the Economic and Social Committee. The ECSC currently derives all its expertise from outside experts. However, I ask myself whether that should be the aim of such an institution's work. That is something else we need to discuss.

The same applies to the Committee of the Regions. Here too it is my goal, under the 'value for money' maxim, to promote the overall productivity of the committee through a variety of measures. I am only able to mention one interesting aspect. The committee has asked for an increase in the funding required to cover the travel and subsistence costs incurred by regional representatives of candidate countries attending plenary sittings as observers. We have placed part of this money

for the financial year 2000 in reserve. To date, there has been no application for us to release these funds. At the same time, however, the Committee of the Regions has declared that it has need of more funds for the year 2001. My response will be to propose that these funds should also be placed in reserve, because the need for funding allocations is evidently by no means as pressing as we are always given to believe during budgetary negotiations.

I only have a very brief comment to make in respect of the Ombudsman. There is not a great deal to add here. The Council has grasped the nettle and we support them in this. I will not submit any further proposals on this matter.

To sum up: overall, we are being very sparing with the European tax payer's money in performing our role as part of the budgetary authority. It is imperative that we take the same line for the administrative budget. There are major tasks in store for us over the next few years. We are in a position to create financial leeway for 2001, which we will hopefully be able to turn to good account when it comes to dealing with the administrative side of enlargement.

*(Applause)*

2-106

**Haug (PSE), rapporteur.** – *(DE)* Mr President-in-Office of the Council, Mr President, Commissioner, honourable members, as the last person to speak on this agenda item, all I can do of course is make a few points and reiterate a few things that have already been said. But as you are all yourselves aware, repetition is the only way to learn. First of all, I would like to thank the Council for the constructive cooperation it has provided throughout the year's dialogues and in all the conciliation meetings.

However, it is not just the current Council Presidency that I should like to thank, but also the previous one, the Portuguese Presidency, for creating a thoroughly cordial atmosphere despite all the differences of opinion. I shall therefore deliver the good news first: compared with this year's budget, both the Commission and the Council – albeit only temporarily – have proposed a total reduction of EUR 144 million in the budgetary lines for employment. But Parliament has already made it clear in its guidelines that the issue of job creation is very close to our hearts, and that one of our first priorities in internal policy is to fight unemployment in Europe. This is our determined aim, our goal, and we gave renewed expression to it in our resolution of July. We have always found the Council ready to listen, both under the Portuguese and now under the French Presidency.

Accordingly, not only did the Council declare, in the course of the conciliation procedure, that it was willing to support our job creation initiative through suitable instruments for small and medium-sized enterprises, we have also agreed to come to an understanding, in the course of the budgetary procedure, on an amount within the meaning of number 33 of the Interinstitutional Agreement, which we intend to use to achieve our goal.

So far, so good. So what exactly are the problematic areas? Where do Parliament and the Council differ? In view of the limited amount of time available to us all, allow me to mention just two. Firstly there is the manner in which the Council seeks to finance those policies where there is fundamental agreement. As Parliament made clear last year, we believe it is necessary to undertake a multiannual revision of Category 4 in order to meet the requirements for reconstruction aid in the Balkans in a stable and secure manner. The Council flatly refuses to countenance such a revision of the Financial Perspective. It obviously prefers a hand-to-mouth existence. No revision! That is the name of the game. The Council has obviously made this its guiding principle, for how else are we to interpret the fact that it persists in refusing to commit the funds for the pre-accession countries Cyprus and Malta to Chapter 7 of the pre-accession strategy? After all, that is where they belong logically, and in terms of content. But the Council does not want there to be a revision, even if it is not bound up with a financial amendment. As a Parliament, we now have an extremely difficult decision before us with respect to Category 4.

The second major bone of contention is the Council's tendency to focus time and again, in the course of its budgetary readings, on payment appropriations alone. The Commissioner made the same point. I cannot say whether it is because of our institutional view, or whether it also says something about our personally held views, that we both majored on this in our criticism.

The Council's declared aim was an increase in expenditure for 2001 of only 3.5% in comparison with the figures for the current budget. The outcome is a draft budget in which the ratio of commitments to payments is no longer sound. For example, on closer inspection, it is possible to discern that the commitments for 2001 are not matched with adequate payment appropriations. In category 2, for example, the commitments are covered to a mere 2.1%. In categories 3, 4 and 7 the situation looks better, but still not good. In many lines of the draft budget, the payments do not even cover a quarter of the commitments. In quite a few lines, no payments whatsoever have been earmarked for the commitments for 2001. This no longer has a great deal to do with serious budgetary management.

I need hardly emphasise again that the Interinstitutional Agreement – which, incidentally, we concluded only 1¼ years ago – sets out as a matter of course, at various points, that there should be an orderly working out of the European Union's

expenditure, which should be regarded as being closely linked with the working out of the commitments. In fact it means that a strict relationship should be preserved between commitment appropriations and payment appropriations. The Council is neglecting this close relationship in the most criminal way. Its aim is to reduce expenditure. It argues that, at the end of the day, the Member States have to put their national budgets in order too. That is all well and good, but it must not be allowed to bring our own common European budget into disorder from the very outset.

2-107

**IN THE CHAIR: MRS LIENEMANN**  
*Vice-President*

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

2-108

**Aids**

2-109

**President.** – The next item is the statements by the Council and the Commission on Aids.

2-110

**Gillot, Council.** – *(FR)* Madam President, ladies and gentlemen, Commissioners, I shall indeed try to do as you say and talk about Aids.

Well, as you know, the Aids pandemic currently affects 33.6 million people, the majority of them living in developing countries. According to UNAIDS, 5.6 million new cases and 2.6 million deaths were notified in 1999, including 50% women. The epidemic has already wiped out the achievements of thirty years of development aid in the most affected countries. The most tragic consequences are in Africa. The African continent finally had the professionals and experts it so lacked at the time of independence. Now the disease has taken a heavy toll among those trained adults of working age.

We cannot ignore the immense loss of human investment this first generation of victims represents, a loss which goes beyond the personal tragedy suffered by the sick and their families. Nor do we forget the poorest and most destitute who are still deprived of treatment. No one can forget the testimony of Judge Edwin Cameron, a white, homosexual, HIV positive man on the bench of the South African High Court. He courageously came forward at the opening of the plenary session of the International AIDS Conference in Durban last July. Only his social standing and income give him access to the treatment which is unfortunately inaccessible to the majority of his compatriots. His testimony illustrates African injustice.

For around a decade, Africa has committed itself courageously to a difficult process of reform and structural adjustment. But the epidemic is putting a heavy burden on the care system, making the modernisation of the health sector even more difficult. Just when attempts are being made to establish methods of funding to guarantee better, more permanent services, the monstrous burden of AIDS falls on communities already assailed by the economic crisis, underdevelopment, an inadequate health structure and the lack of a social security system. So the issue of HIV-AIDS lies at the very heart of sustainable development. Aids decimates societies, threatens future generations and compromises economic growth. The members of the UN Security Council now regard the issue as an absolute priority.

Beyond Africa, the pandemic is global. Thirty-five million people live with the virus, but fewer than 500 000 have access to antiretroviral treatments. It has to be recognised that, even here, there is a deep gulf between rich and poor. Inequality of opportunity in terms of access to treatment, intolerable in itself, is all the more repugnant today because information circulates, and circulates fast, on this planet. Today everyone knows these treatments exist. Humanely, morally and politically it is not only desirable but crucial to seek solutions jointly with developing countries, which are suited to their situation, take account of their potential, and help them improve accessibility to these treatments, while pursuing cooperation in the areas of education, health, prevention, and the training of local medical staff.

The European Union has been aware since the beginning of the 1980s, of the need to give the developing countries practical assistance in the fight against HIV-AIDS, putting respect for the people affected, in particular the most vulnerable, at the centre of its concerns. Hence it has participated in implementing actions in the areas of transfusion safety, information campaigns, raising young people's awareness, creation of documentation and information centres, as well as training and medical and social security benefits. Some countries, France in particular, are also involved in initiatives to facilitate access to treatment. The International Therapeutic Solidarity Fund has obtained encouraging initial results for the two access to medication programmes started in 1999 in Ivory Coast and Morocco. New programmes are now being launched in Senegal, Vietnam and South Africa. Even though these only affect a few individuals out of the millions of people in need, we feel sure they are contributing to international mobilisation and bringing in their wake the benefits of partnership and shared know-how. Their effects are already apparent in the mother-child prevention programmes set up by UNAIDS and UNICEF.

So the international context is evolving. The United Nations, its agencies and the World Bank are mobilising to strengthen international therapeutic solidarity. An important, even historic, agreement has been concluded between WHO, UNAIDS and five pharmaceutical companies. It means the price of medication used to treat Aids can be reduced. Similarly, the recent decision to make nevirapine, an antiretroviral molecule effective in the prevention of mother-child transmission, freely available adds credibility to that agreement, because it proves that this is not just an announcement, and the pharmaceutical industry really can take practical action.

Finally, many countries are recognising that the indebtedness of developing countries is an intolerable burden on their economies and acts as a brake on their capacity to combat poverty effectively, let alone the pandemic. France has taken specific steps to cancel that debt, while encouraging development and health education. Such initiatives show that the mobilisation of the international community is strengthening, and it must not slacken. But this is just a first stage in the struggle against the Aids pandemic. At the international congress last July in Durban, on African territory, researchers, health professionals, non-governmental organisation campaigners and political leaders, were all unanimous in emphasising the urgency of the situation. Contact with helpless health professionals, the resigned distress of mothers who have infected their own children, the powerlessness of the health authorities to act, visiting a paediatric hospital – all that further convinced me of the extent of the gulf between the inhabitants of the countries of the South and their fellow human beings who chanced to be born in our own countries.

New commitment is necessary. We are convinced of that. International aid must be strengthened urgently in the fight against HIV-AIDS. Coordination of all resources at all levels remains one of the top priorities for international aid within the framework of the strategies defined at international level, in partnership with national Aids programmes and other donors. We must urgently strengthen prevention programmes, improve the research effort geared to developing countries and give all patients real access to treatment.

Besides making antiretroviral medication available at reasonable prices to local health systems, access to treatment implies strengthening training actions, structural aid and support to patients' associations. Admittedly, mother-child transmission prevention programmes remain essential, but there is still a need for massive implementation of projects to provide access to treatment for chronic infection, because who is going to raise these children after we have saved them from infection? Access to medication poses complex ethical, medical and socio-economic problems, even political and cultural problems, which we must try to overcome by respecting the people we are dealing with and regarding them as partners to cooperate with.

Major cooperation must be established between donors, recipients, the pharmaceutical industry and associations to provide the operational systems for access to treatment. Several initiatives have been launched. First, a Commission round table will be held in September on Aids, tuberculosis and malaria. A Japanese conference will also be held in the context of the G8 this autumn on these three diseases. Finally, there is a proposal for a United Nations General Assembly Special Session to be devoted to Aids before May 2002.

The presidency will support these initiatives to find lasting solutions to the problem of global and respectful responsibility for people suffering from the disease, by means of practical projects and partnership agreements with the countries concerned. Guaranteeing access to quality treatment, information and the necessary resources for all must be the aim of the European Community. Consideration of access to treatment is not new. The road is hard, but it must be travelled. We cannot succeed without everyone's participation: the pharmaceutical industry, the bilateral and multilateral donors, and the countries involved. We know now that the epidemic can only be overcome through long-term commitment. That commitment is all the more necessary because it would not be just immoral and dangerous for development and the progress of humanity, it would threaten world peace and equilibrium if recent advances, especially in treatment, were just to benefit the richest countries.

*(Applause)*

2-111

**Nielson, Commission.** – The Commission attended the 13th International Aids Conference, which took place in Durban, South Africa, from 7 to 14 July 2000. The theme of the conference, 'Breaking the Silence', provided a framework which helped to strengthen national and international action against HIV/Aids.

The conference welcomed scientific progress in addressing Aids, especially news of the first efficacy trials for an Aids vaccine and the evidence that transmission of HIV from mother to infant could be largely prevented by cost-effective use of entry retroviral drugs. Also welcome was information on the many small-scale condom and safe sex empowerment education programmes that have proved their worth in stemming the spread of HIV/Aids.

I believe that the conference could have given more attention to the lessons of success stories as regards improving and expanding these prevention strategies because information and prevention is in fact the most important ways of fighting Aids. Prevention is central to a successful long-term national, international and global response to Aids. At the same time a

full spectrum of care from basic treatment of opportunistic infections to entry retroviral therapy for HIV infection can no longer be denied to the vast majority of the millions of people infected with the virus.

The Commission welcomes the new initiatives being taken against HIV/Aids by some countries to produce cheaper generic drugs and would like to offer its support to help such countries provide technical assistance to other developing countries to enable them to pursue such initiatives. Possibilities will be further discussed with the countries involved. We recognise that the production of generic drugs could greatly improve access to care and treatment for HIV/Aids.

The statistics of the epidemic are frightening and still getting worse. For example, one in four Zimbabweans will die from HIV/Aids, including one in three in the capital, Harare. More than a million children are already orphaned by HIV/Aids in Zimbabwe, almost 10% of the population. More than half the pregnant women in some areas in Botswana are infected with HIV, and a third of them transmit HIV to their new-born babies during delivery.

The conference opened up exciting new opportunities and partnerships that will enable people who are vulnerable to HIV infection to gain access to technologies and procedures to make care more affordable for HIV/Aids sufferers and invest in new technologies and products to prevent and treat HIV/Aids.

These opportunities must be exploited immediately, and the Commission intends to play its part. It is accordingly discussing innovative approaches with its developing country partners as well as with other donors. We can and must be doing all that we should do about HIV/Aids. We can and must also do everything possible to combat other major killer diseases affecting poor people. Malaria and tuberculosis, both of which kill more than a million people a year, must assume new importance in our work to reduce poverty and ill-health.

Accelerated action on the three key communicable diseases – HIV/Aids, malaria and tuberculosis – has been addressed this year by a number of high-level meetings. The Commission will shortly submit a communication to the Council and Parliament outlining proposals for accelerated action to improve access to proven key measures and commodities to develop active and effective delivery structures and systems for drugs and increase investment in research into and development of priority drugs and vaccines. The communication points especially to the value of bringing condoms, bed nets and other preventive procedures to the poorest and most vulnerable more rapidly and on a sufficiently large scale.

The European Union accounted for 55% of global development aid in the social sectors in 1997 and has increased its support for health, Aids and population programmes from 1% of our total assistance in 1986 to over 8% at the present time, compared to an OECD average of 5.5%. We are therefore focusing more and more on this field. Total commitments of EUR 3.4 billion were earmarked for health, Aids and population between 1990 and 1998, none of which was offered as loans. This is in clear contrast to the recent offer from the United States to southern Africa. The Commission is holding wide-ranging consultations on options for accelerated national and international action and innovative approaches to address these diseases. On 28 September, in collaboration with the WHO and UNAIDS, it will be hosting an international round table. The meeting will consider how a comprehensive approach at national and international level might tackle these three diseases and how we can make a difference.

2-112

**Maij-Weggen (PPE-DE).** – (NL) Madam President, I should like to express my thanks to the President of the Council and Commissioner Nielson for the statement they gave today with regard to the huge issue of Aids, especially in Africa. When, in the early 80s, the full extent of the problem of Aids became clear, the Western world adopted a large number of policies in order to curb the illness and provide sound treatment to those who had contracted the disease. A great deal of consideration was also given to prevention and consequently, in most Western countries, the illness failed to develop into the pandemic which was predicted in the 80s.

Each Aids victim, in Europe too, is one too many, but thank God there are not as many as was feared twenty years ago and survival rates have gradually increased. How different is the situation in many Third World countries, especially in Africa! There the tragedy has now exceeded everyone's expectations. Out of the 18 million casualties this illness has claimed worldwide, the majority lived in sub-Saharan Africa, where the average life-span has fallen to under 50 years and will fall still further to 45 years. Millions of African children are already having to go through life without parents, millions of families have broken up, millions of children and elderly people are having to manage without the support and care of an ever dwindling part of the generation in between. And this is only the humanitarian tragedy. Then there is the socio-economic tragedy. Economic development is faced with more and more difficulties, investments are not being made because staffing levels are insufficient, schools are losing their teachers and hospitals can no longer cope with the problems. In fact, we have to conclude that much of what has been achieved over the past 25 or 30 years in terms of development has been cancelled out by the Aids tragedy, and this is something which should alarm us all the more as the largest provider of aid to Africa.

What could Europe, the Commission, the European Union do to help Africa? I believe it is not helpful to try to copy European policy in Africa. The situation in many African countries does not lend itself to European solutions. Instead, we

should start with a few positive examples, such that those in Uganda and Senegal, where there are opportunities to stabilise the extent of the illness to some degree. And in our opinion, three key concepts apply: information and prevention, affordable treatment, and care of those left behind. Information and prevention are essential, and the use of condoms is extremely important in this context. As far as treatment is concerned, I believe it is important for the pharmaceutical industry to find affordable alternatives to the medication which is of some help in our Western countries, also where transmission of the illness from mother to child is concerned. And as for the care for those left behind, I would draw your attention to the many orphans this illness has already created.

Finally, the Commission has announced that it will produce a memorandum to solve the problems but, to my mind, we have done too little so far, and the unit which is responsible for this care is too small. I therefore hope with all my heart that the memorandum which Commissioner Nielson has announced will offer us a new perspective, with more people at the European Commission who are prepared to tackle this issue, with more coordination at European level and, more than anything, with more funding, because that is what is needed to help Africa leave this misery behind.

2-113

**Carlotti (PSE).** – (FR) Madam President, in my view an important step was taken at the Durban International Aids Conference: although prevention also remains essential for combating this plague, the issue of access to treatment was finally placed at the heart of the debate. Durban made it possible to approach the essential issues – the price of medication and the development of generic medication – frankly, and move forward in our thinking about intellectual property rights and compulsory licences. It was about time. The conduct of the big drug companies has too often contributed to imposing a two-speed treatment system: medication for the rich and despair for the poor. That is why the initiative from the pharmaceutical laboratories on the price of medication, launched on the fringe of the conference, constitutes an encouraging beginning, as long as it was not just announced for effect.

The G8 Summit at Okinawa has also made it possible to set the seal on the commitment of the rich countries and set targets to lessen the ravages of Aids in Africa over the next ten years, but, unfortunately, the issue of resources was not really dealt with. This very day a meeting should be taking place in New York, under the auspices of UNDP, between public and private operators to sign up to and finance the Aids action plan for South Africa. There really is a feeling that people are finally beginning to ask the right questions. Now perhaps the right answers should be provided. Obviously the European Union is not standing on the sidelines of this mobilisation but I think we should step up a gear, and I heard the French Presidency express that hope. We eagerly await the Commission's communication, with guidelines and proposals for combating the major transmissible diseases: Aids of course, but also malaria and tuberculosis.

Aware that the time has come not just for reflection but for action too, we expect really concrete proposals permitting very rapid progress. I am thinking, in particular, of the debates on industrial property rights and compulsory licences. I am thinking of the development of the International Therapeutic Solidarity Fund launched to raise international funds to give poor countries access to the new therapies, which must expand. I am thinking of the organisation of an international conference involving poor countries, the pharmaceutical industries, the NGOs and the donors. Perhaps the round table of 28 September, organised by the Commission, in liaison with WHO and UNAIDS could be the first stage in setting that up?

2-114

**Rod (Greens/ALE).** – (FR) Madam President, I am not going to repeat what has already been said, and said very well, and with very laudable intentions. Rather, I am going to try to talk about facts. I think the facts, today, are simple. The facts are access to treatment and patient care. UNAIDS itself acknowledges the ineffectiveness of the programme announced by the pharmaceutical laboratories, which were only trying to improve their image, in fact, and are now withdrawing when it comes to genuine negotiation of a reduction in the price of treatment. The issue is no longer donations of medication, necessarily limited in time and subject to the selective interests of the laboratories, but adapting treatment price to purchasing power in the developing countries.

The European Union must urge the pharmaceutical multinationals to grant voluntary licences, a first step towards access to treatment for the deprived populations. If that is not done, the European Union should impose respect for the agreements in case of medical emergency, and require the granting of compulsory licences, which would finally mitigate the problem of the price of treatment. I think the agony of a whole continent takes precedence over special interests.

2-115

**Sylla (GUE/NGL).** – (FR) Madam President, I agree with Mrs Carlotti that the merit of the Durban conference was to make it clear that Aids is not being fought in the same way in Europe and in Africa. Aids lays bare all the economic and social deficiencies of developing countries and grafts itself onto the more general problem of destitution. Prevention cannot succeed unless it is accompanied by access to treatment. So, and here I agree with the previous speaker, the pharmaceutical companies with the monopoly of manufacture and marketing of triple therapy and even AZT charge a high price for them. We would not be having this debate if triple therapy cost a dollar. And as the director of UNAIDS recognises, we need to increase the amount currently invested tenfold even to make a start on a real policy of prevention and social security.

Besides, medication cannot be distributed like sacks of rice. Doctors, dispensaries and social support structures are needed. And, by IMF dictate, poor countries are cutting public expenditure, in particular on education and health. The European Union must contribute towards the rapid cancellation of the debt of African countries, which costs them 15 billion annually, so that those resources can be allocated to establishing the health infrastructure and new social programmes. Finally, the research priority must be to perfect a vaccine.

2-116

**Turco (TDI).** – (IT) Madam President, I am speaking on behalf of the Members of the Bonino List.

I have taken note of the words of the Council representative to the effect that France will allocate part of the African countries' debt to the fight against Aids. This is a major initiative which we hope will be echoed by all the countries of the Union and countries outside the Union as well. We call upon the Union to make a contribution as well so that more funds are invested in the fight against Aids in Africa, where 95% of deaths caused by the HIV virus occur. It is true that we currently spend USD 300 million per year on Africa, but, at the same time, Africa has a debt of USD 15 billion owed to the industrialised countries.

I would like to end by drawing attention to the great pervading silence and condemning it: I refer to the campaigns which aim to deter people from using condoms on religious grounds. They are requesting people not to use condoms in the name of life, but that is to condemn the children to certain death.

2-117

**Mantovani (PPE-DE).** – (IT) Madam President, as a member of the Committee on Development and Cooperation, I would like to express my distress at the outcome of the 13<sup>th</sup> Aids Conference in Durban, South Africa, which is at the very least alarming, and my deep concern for the future of the developing countries, particularly the African countries.

This new resolution supplements the resolutions tabled last year in Lusaka, Zambia. However, sadly, the situation is tragic and has shown no improvement at all recently. On the contrary, it is assuming huge proportions if we consider that, in Africa, five people die of Aids every minute. The statistics presented by the experts are tragic, including the substantial population decline and the dramatic decrease in life expectancy in Africa, which will fall below the age of 45 by the year 2015. In the sub-Saharan area, as many as 10% of the population will be affected by the virus.

I therefore feel that there is a need for the Commission and the Member States of the Union to make an *ad hoc* intervention, in consideration of the European Union's major responsibility precisely towards developing countries. Indeed, I would argue that we should relate the cancellation of the external debt of the poor countries to the fight against the Aids epidemic, and it is precisely with a view to this that we support the request of the specific programme *Debt for Aids* contained in the resolution.

The Cairo EU-Africa Summit on debt cancellation procedures and the Durban Conference are, in fact, closely related. The grievous impact of Aids on economic growth and the close relationship between the fight against poverty and the fight against Aids requires coordination and closer and more effective cooperation between the WHO, the World Bank and the United Nations, with the involvement of the civil society of the countries concerned, the local Churches and the non-governmental organisations.

2-118

**Malliori (PSE).** – (EL) Madam President, despite significant scientific progress in treating Aids, the Aids epidemic is still ravaging more and more poor countries, thereby compounding problems in dealing with its multiple and serious consequences. There is no doubt that preventive measures and treatment over recent years have considerably improved patients' chances of survival in developed countries; however, the same cannot be said of poor countries. The spread of the disease has exceeded every worst-case scenario, especially in Africa; as has already been mentioned, five people a minute die from Aids, which has now reached the point at which it is a threat to public health. Every day, children infected with this virus are born in these countries due to a complete lack of suitable programmes for mothers-to-be. Similarly, the cost of treatment is so high that few patients receive this, their rudimentary right.

In this context, I think that the proposed reduction in the price of drugs for the victims of Aids in these countries is extremely important and I should like to urge the Commission and the Council to support this endeavour by exerting pressure on pharmaceutical companies. Similarly, a concerted effort must be made to develop integrated educational, preventive, treatment and welfare programmes for developing countries, at least until the vaccine is safe to use, which is what we are all hoping for. Until then, prevention and therapy are the most important factors in controlling the spread and dealing with the disease and these are services which all citizens should receive, irrespective of where they live.

2-119

**Wijkman (PPE-DE).** – (SV) Madam President, everyone in this debate has emphasised the importance of preventive measures. As we know, there is an old saying, prevention is better than cure. With the approximately 15 years' experience we have had of this epidemic – I myself have been active in connection with both the UN and the Red Cross – I can, however, see that we have not listened especially carefully to that saying.

As long as ten years ago, it was extremely clear how serious this epidemic could become in certain developing countries, but too little was done both in those countries and by the international community. It is debatable what the reasons are why this epidemic hit poor countries especially hard, compared with how it affected countries in our own part of the world. It obviously has to do with poverty, with lack of information and education, with patterns of sexual behaviour and, specifically, with young girls' lack of education of a kind which would better enable them to resist sexual advances. It also has to do, of course, with the shortage of money within the health care sector.

I welcome the fact that both Commissioner Nielson and the French Presidency now regard and describe the work on combating the HIV epidemic as a main priority. Money is not enough, however. Instead, we must ensure that the Commission obtains a sufficient number of qualified staff so that it is not isolated employees who are trying to push ahead with these issues.

It is also important to have new kinds of cooperation with the pharmaceuticals industry so that we can produce not only vaccines, but also medicines. This applies not only to HIV but also to malaria. We need to be guided by innovative thinking in this area.

When, finally, we talk about partnership, it is, as Commissioner Nielson said, extremely important to seek out whatever proves to have worked and to support it. There is a whole host of programmes which are crying out for money and where contributions from the EU could be of use.

We talk a very great deal about Africa. I am afraid that, in five to ten years' time, the situation will be similar and very serious in parts of Asia. I welcome Commissioner Nielson's conference on 28 September 2000 and hope that it will lead to something of a crash programme for tackling these problems still more vigorously in the future.

2-120

**President.** – I have received seven motions for resolutions, pursuant to Rule 37(2) of the Rules of Procedure, to wind up the debate on this statement.<sup>4</sup>

Before closing the debate, I invite the President-in-Office to reply to the debate or at least conclude it.

2-121

**Gillot, Council.** – (FR) Thank you, Madam President, for giving me a moment to say how moving it is to hear such powerful words spoken in this Parliament today, clearly demonstrating that we are of one mind in recognising that Aids truly reveals the state of poverty and injustice reigning on our planet. We Europeans have a moral obligation to mobilise and it comes through from all these speeches that we are ready.

We are very grateful to the Commission for preparing its communication which we impatiently await and which will allow us to pool our energies and unite in a determination to act. The time for thinking really is over. We must act without delay because this is an emergency, and the French Presidency stands ready to put that determination to act into practice at European level.

To respond to the immense challenge we face, we need to mobilise all the partners, as I said in my earlier remarks, which drew a wholly positive echo from Parliament. I can tell you that the presence on the Durban platform of the Director General of WHO, the European Commission representative and the President of the Health Council created immense hope. We have no right to disappoint that hope and I will be at your side. We will meet the challenge together.

We must denounce campaigns of disinformation, combat obscurantism, but not abandon any field of action. I believe we must be conscious always of the need to promote information and training, prevention, access to care and treatment, and research – particularly into vaccines and medication.

2-122

**Nielson, Commission.** – I just want to thank you for these contributions. We are aware of the enormous challenge facing us. Prevention works, but it takes time. Uganda is a good illustration of this. For us as donors, this means that we have to be able to show what I would call donor stamina. We have to be able to continue and to support the right strategies.

Mr Mantovani said that we should forgive debt and use the money instead to combat Aids. When we forgive debt, we have used the money. You are suggesting that we use it twice. That is a good innovative approach, but still not that easy. This is, in fact, why I mentioned that the offer the United States has made is to make available on a loan basis USD 1 billion for buying medicine from US companies. That is in my view not the right approach, because it will actually increase the already double problem of Aids and existing debt in African countries. That is why I made the point that Europe is actually providing funding that does not increase the debt of our partner countries.

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<sup>4</sup> See Minutes

Finally, I would warn against the dream of a quick fix in terms of new medicine. We are supporting this. We are trying to crack the code of protective rights for the companies but it is not easy. In the meantime, the scale of the costs here makes it more necessary to emphasise prevention rather than cure. A cure is still far too expensive.

2-123

**President.** – I want to thank the President and the Commissioner for their understanding.

The debate is closed.

The vote will take place on Thursday at 12 noon.

2-124

### **Creating a monitoring centre for industrial change**

2-125

**President.** – The next item is the statement by the Council and the Commission on creating a monitoring centre for industrial change.

I invite Mrs Péry to speak on behalf of the Council, and I know she will feel at home in this Chamber as she served as Vice-President of Parliament for many years.

2-126

**Péry, Council.** – (*FR*) Madam President, ladies and gentlemen, let me say how delighted I am to be speaking here, discovering these acoustics, as this is in fact the first time I have spoken in this Chamber. First, I must present apologies from Martine Aubry who very much regrets not being here personally.

I want to thank the Committee on Employment and Social Affairs, and the parliamentary Group of the Party of European Socialists for the draft resolution to be debated, and the rapporteur, Mr Hughes.

I very much hope that our debate will contribute to progress on setting up European arrangements for monitoring industrial change, something the French Presidency takes a particular interest in. You will note, Commissioner, that I said European arrangements, and I am deliberately non-specific about the name, because it is the principle that is important.

Before talking about the arrangements themselves, I think it is useful to give a brief review of the context in which this proposal was born. The Special European Council in Luxembourg on 21 and 22 November 1997 tasked a high level group of experts with analysing industrial change in the European Union and looking at ways of anticipating and managing change as well as its economic and social repercussions.

The closure of the Renault Vilvorde plant is still a vivid memory. All of us, in our own countries, are experiencing the radicalisation of certain social conflicts reflecting despair – I do mean despair – and incomprehension before the challenges of globalisation.

In its final report to the European Commission, the group of experts drew up an inventory and made recommendations. These include the interesting proposal to the Commission to create a European monitoring centre for industrial change. This centre would be a tool to help identify and analyse change in order to anticipate its consequences and ensure positive management of those developments.

This recommendation was received without comment as to the principle, the monitoring centre being perceived as a tool to assist restructuring, but debate arose around the work on its creation. I believe there was also debate in the Commission and amongst both sides of industry. I am now being told that positions have moved very close together on both on the tasks and on the structure of the centre, and I think that is a highly important factor.

Recognising this, and with your help, ladies and gentlemen, we need to create the conditions for rapid establishment of the European monitoring centre for industrial change. The acceleration of the process of mergers and acquisitions in Europe is forever prompting us to think about the social and legal aspects of the issues raised. The emergence of new information and communication technologies in the organisation of relations between the great principals and their sub-contractors – I am thinking of aeronautics, the motor industry – is bringing in its wake new ways of organising work liable to alter the industrial fabric substantially and promote the arrival of new territorial systems going beyond national frameworks.

As regards the future of employment, we need clarification to be able to make real forecasts successfully. But clarification is also needed for developing vocational training both for learning a trade and for lifelong learning, which should become a right for everyone. I very much hope, as the draft resolution underlines, that this will be included in the Union's Charter of Fundamental Rights. The nature and importance of the social dialogue accompanying these transformations goes hand in hand with the extent of restructuring or technological evolution.

The European monitoring centre for industrial change may respond to this problem if its tasks and structure are defined in that way. The centre should identify and collect information relating to economic, technological, and labour market developments. It should also identify and disseminate positive practical solutions to be implemented at various levels and promote exchange of experience on the evolution of and adaptation to change. These tasks should respond to the needs of the European institutions, the social partners at all levels, the national and regional institutions and business.

There remains the question of how this monitoring function should be organised. It is useful and necessary to remember that this centre should be a tool, not a place for political decision-making and industrial negotiations, and should be available to the publics I mentioned earlier. It must be organised so as to fulfil its missions, and in our opinion that means a light, flexible structure. For logistics it could rely on the existing European institutions.

In our opinion, European social partners and the Commission should naturally be involved in the management of the centre in appropriate ways. A scientific council could determine the main guidelines and underwrite the work done.

A proposal that this European monitoring centre and the Foundation for the Improvement of Living and Working Conditions in Dublin should be close together makes sense and would receive our support. In fact, the experience of that institution, its scope, the results of its work and its tripartite management, represent solid foundations for launching the centre.

In the view of the French Presidency, that proposal for a foundation should facilitate the rapid establishment of the centre. France will do everything possible to ensure that it can be in place before the end of this presidency.

Madam President, I have not forgotten how precious time is in this institution, so I have made a point of respecting my speaking time.

*(Applause)*

2-127

**President.** – Thank you, Madam President.

2-128

**Diamantopoulou, Commission.** – In 1997, the closure of one Renault factory near Brussels employing 3 200 people focused public attention on the negative consequences of industrial change. After this, in response to the European Council, the Commission invited a high level group of experts to report on the economic and social implications of industrial change and make recommendations on ways to prevent consequences of the kind witnessed at the Renault factory.

In its report the high level group recommended the creation of an observatory. This report has been endorsed by the Council. It is true that mechanisms and structures for the anticipation of change exist in the majority of Member States. But at European level there is no kind of observatory or mechanism to support policy makers and social partners in responding to these changes.

I am convinced of the need to provide European social partners and policy makers with a tool which enables us to adopt a forward-looking approach where industrial change is discussed at European level, with a view to managing it through positive and preventive action. We have already discussed it three times in Parliament. We really believe that there is an urgent need for a new structure, an observatory or whatever we like to call it.

The Commission has already proposed in the social agenda presented in 28 June 2000 to invite the European Foundation for the Improvement of Living and Working Conditions in Dublin – which is an existing structure – to put in place an information mechanism for change. This mechanism could also serve as a forum on change.

What is the role of this mechanism? This information mechanism should assist the social dialogue between employers and employees and it could support public authorities by providing information data and analysis of existing information on industrial change. We all agree that it must be a lightweight and cost-effective structure and that it must be established as quickly as possible.

The social partners indicated their interest in this mechanism in the forum of 15 July and committed themselves to finalising their approaches and presenting their ideas on the possible structure for this mechanism. Of course we shall take their opinion into account before our final proposal.

My last point is that anticipation of change and response to it must be multidimensional. Coordination across all policy areas has been central to the Commission's deliberations in this area. So what we could say is that we can ensure that the employment DG will collaborate with other DGs, in particular the internal market, education, culture and enterprise DGs,

to present an integrated approach for this mechanism. We believe that the output of this mechanism will be available to support the decisions of EU institutions and EU partners and this could be done in a flexible way within the European Treaty.

2-129

**IN THE CHAIR: MR PUERTA**  
*Vice-President*

2-130

**Chichester (PPE-DE).** – Mr President, may I say from this side of the House as one who served in the last Parliament that it is a great pleasure to see Mrs Péry here in this Chamber in Parliament.

I would like to make several points about this issue of an observatory or monitoring centre. First of all, existing bodies within the EU institutions are already doing this work and are capable of doing it. It seems curious to me to propose another agency, more machinery, and more budgetary expenditure to duplicate work that is already taking place. For example, the Joint Research Centre Institute in Seville that deals with prospective future technologies is looking at this area. The Dublin Institute has been mentioned already.

Secondly, governments and other types of public sector organisations do not have a particularly good record or an aptitude for predicting change in industry, in commerce, in business and in enterprise. Nor, in my view, should they try to do that. Let the economy and market forces get on with it.

I am curious about the socialist emphasis on industrial change when we in the developed economies now live in a situation in which 20% or less of the work-force is employed in conventional industry and everyone else works in the services sector in the new economy. I am surprised because that emphasis denotes unawareness of this particular form of change. In other words, it is all happening, it has happened already and furthermore it has happened probably despite, rather than because of, the fact that governments second-guess what is going to happen and how it should happen.

Moreover, if there is a need for study on an academic or research basis, then it is surely better to use existing bodies. By all means involve the two sides of industry in the research work, but let us not set up yet another EU agency or body. In short, we should not try to reinvent the wheel. Instead, we should leave the economy and the market to get on with it, since this is the best way to promote change and renewal and create new jobs.

2-131

**Hughes (PSE).** – I too would like to welcome Nicole Péry back here in the Chamber and perhaps I could say, Nicole, that we miss you particularly when we have extremely difficult votes to transact. Perhaps you could pop back periodically.

I would like to say that the compromise resolution tabled by my group and others has been cut down to the bare essentials to make it absolutely clear what we are calling for, but even so there seems to be a tremendous amount of confusion over exactly what we are calling for and I would therefore like to spell out two things that we are not calling for. First, we are not calling for the creation of a new expensive agency or institute. The tasks we want a monitoring centre to undertake can be handled at the Dublin Foundation and/or the Seville Joint Research Centre at little extra cost.

Second, we are not seeking to stop mergers, transfers, restructuring or globalisation itself. That would be a ludicrous notion, but we want to see a socially responsible and anticipatory approach to these developments. We want the establishment of a coordinating centre for the monitoring of industrial change as a contribution to a more pro-active approach to the management of medium and longer-term industrial change in terms of its impact within the European Union and I would draw Mr Chichester's attention to the fact that service industries too are industries and we are looking at industrial change overall.

This would be a centre to gather information and intelligence from all possible partners and actors, business itself, institutions of higher and further education, the employment services both public and private, the social partners from all relevant actors and again I would say to Mr Chichester, we are not saying here that governments should try to predict change.

We want to work with all partners including business itself to try to assess the direction of change. The task of such a centre then should be to channel relevant information on anticipated changes to decision-makers at all levels to help increase our overall capacity to prepare the policy changes necessary to harness the opportunities to be gained from the perceived direction of change.

This is not an idea we have plucked out of the air. As both the minister and the Commissioner have said, this follows on from the Gyllenhammar High Level Group following the Vilvoorde closure by Renault. The recommendation to create an observatory is one in fact that has been picked up in several EPP resolutions in recent months and I am therefore very surprised to see such a hostile resolution from that quarter here this week.

The Liberal and EPP resolution says that such a centre would try to interfere in the markets and in commercial decisions. That is not the case at all. This is not about interference in commercial decisions but about making sure that we maximise the chances of us all being winners rather than simply the passive victims of change. But who knows, Mr Chichester, maybe even the world of commerce would benefit from the improved intelligence such a centre could provide.

My final point is this: the resolution by the EPP and the Liberals is factually incorrect. It states that both Council and Commission have pulled back from the decision to create such an observatory, such a centre. We have heard from both the presidency of the Council here today and from the Commission that they are actively pursuing the idea. Your resolution is factually incorrect. It is missing the point and I hope even that at the eleventh hour you will recognise a good idea when you see it, withdraw your resolution and support ours. But perhaps I am a hopeless optimist.

2-132

**Alavanos (GUE/NGL).** – (EL) Mr President, the debate is most interesting but, as you can see from the screen, Question Time is due to start at 6.10 p.m. It does not matter if Question Time is late starting but can you guarantee that it will last one and a half hours because otherwise we shall run out of time and numerous questions on the agenda will not be discussed. And, while I have the floor, I too am delighted to welcome the representative of the Council presidency to the House.

2-133

**President.** – I greatly regret the situation, just as you do, because I am inheriting the problem. The fact of the matter is, however, that I can only guarantee us one hour here. I will communicate this problem – and you will probably do so as well – to the Conference of Presidents and to Parliament's Bureau, because it may occur once as an exceptional case, but when it happens more than once we must tackle the problem and find a solution to it.

2-134

**Plooij-van Gorsel (ELDR).** – (NL) Mr President, ladies and gentlemen, Commissioner and Mrs Péry, it was agreed at the Lisbon Summit that fifteen European Member States would be developing a common strategy for a smooth transition to a new economy. This is in the interests of our citizens as well as industry.

The Liberal Group is totally against the setting up of a new administrative body that will further increase European bureaucracy. A European Monitoring Centre for industrial change is at odds with the liberal principle that governments should not interfere in commercial decisions. Do not pick the winners and let the winners pick. That was also the conclusion at the Lisbon Summit. I was therefore amazed to learn that less than three months after the event, both Mrs Péry, on behalf of the presidency and Mrs Diamantopoulou, on behalf of the Commission had completely changed tack. I was really taken aback by this. And there was I thinking we were dealing with reliable partners.

Remarkably, European government leaders, including those of social-democratic persuasion, do embrace the liberal principles and the new economy while in this House, the left wing falls back on old reflexes time and again. The spectre of the repairable society is on the loose once again in Europe. Therefore, my group has also failed to achieve a compromise with the Socialist Group on the resolution before us.

Europe and the European economy are doing well. The blessings of the internal market and particularly the introduction of the euro have given employment a shot in the arm. However, some large Member States are fearful to take the required measures, as a result of which they lose out on the benefits to be gained from economic growth. A new Monitoring Centre is no antidote to this. This is not the first time that this Parliament is discussing political interference in industry and business management. The same arguments crop up time and again. I do hope this time is the last time.

2-135

**Bouwman (Verts/ALE).** – (NL) Mr President, the European Union is facing far-reaching changes in our economy, globalisation, the new economy, the expansion of new technology and all kinds of demographic factors as well. These developments have a major impact on employment, the balance between rich and poor, social exclusion and the environment. There are all kinds of frictions within the labour market, we will have to adapt our education system and, at the end of the day, these developments also have all kinds of effects on individual companies, some of which are closing down while others are being set up again, etc. However, one minute we are pulling out all the stops to fight unemployment and the next we are attracting employees from third countries in order to solve the problems within the labour market, for example in the care or ICT sectors, just to quote a couple of odd examples. What we have noticed is that sometimes the policy is ad-hoc or belated and, in a sense, Lisbon, with its "dotcom approach", is a good example of this. We need to take a more consistent line.

Secondly we need involvement, involvement in the support networks, and this is the social implication that needs to be developed. We are of the opinion, therefore, that in order to accommodate this development within industry and sectors of industry, the advice of the working party must be followed at a high level and a coordinating centre set up to observe these changes. This centre should not be an unwieldy, new body but rather fall under the remit of an existing body. This type of industrial change relies completely upon the full involvement of social partners, citizens and politicians at local, regional

and national level. Success will depend critically upon how well this change is managed. From this perspective, the Commission and Council should also ensure that topics such as the right to information and consultation, revision of the law on works councils and the role of employees and citizens in mergers and business closures with their serious social consequences can be brought up for discussion sooner rather than later. This too seems to us to be essential for the purposes of managing industrial change.

2-136

**Bordes (GUE/NGL).** – (FR) We are not going to oppose the creation of a monitoring centre for industrial change. The right's unanimous opposition to it only confirms their rejection of the slightest transparency on the disastrous consequences for society of the factory closures and redundancies people have the nerve to present to us as inevitable responses to change.

But this monitoring centre can only be a statistical instrument, and not even an objective one, in this class society. A monitoring centre cannot replace the political will to prevent big business sacking workers to make bigger profits.

Calling for social cohesion amounts to asking workers made redundant by a firm which is closing down, and unemployed people who are victims of restructuring, to endure their fate patiently.

Most of the mergers or restructurings are financial operations quite unrelated to industrial change. And it is always the workers who have to pay the price, never the shareholders.

That is why I say to the workers that they can and must defend themselves, in particular by imposing a ban on redundancies on any company which is making profits. Accumulated profits should be used to finance the distribution of work amongst all, with no decrease in wages, no precariousness and no flexibility.

2-137

**President.** – I have received 7 motions for resolutions to close this statement, tabled in accordance with Rule 37(2) of the Rules of Procedure<sup>5</sup>.

2-138

**Pronk (PPE-DE).** – (NL) My group would have preferred it if we had not concluded this, in itself interesting, debate with resolutions. This is in response to the comments made by Mr Hughes. I believe that the Council has indeed introduced new elements today. Judging from the discussion, the Council has made some progress. The Commission statement was also extremely clear and, in my opinion, we should all examine it very carefully once again. This would be the best way forward.

Secondly, it is true that we need to avoid excessive bureaucracy. I fully share the view of my neighbour, Mr Chichester on this matter. This is a key point. However, I was also reminded of what happened to the Titanic. It sank because there was no observation system for icebergs in those days. Needless to say, after the sinking of the Titanic, such a system was introduced without delay. Surely over the past few years, we have seen a few cases, also in respect of industrial changes, where a little prescience might have prevented the worst from happening. I personally take the view that we could explore this route a little more, provided it does not lead to further bureaucracy, especially in our host country. We are constantly being faced with all kinds of states of affairs, blockades and such like, and I believe it would be of great benefit if more objective information on future changes could be provided so that we could perhaps prevent a few mistakes from being made, as might have happened in the case of the Titanic. I like the film, but I would hate to see it time and again.

2-139

**Goebbels (PSE).** – (FR) Mr President, let me start with a quotation: 'Unregulated mergers, based merely on dominant capitalist concerns, have a devastating effect on the Union's social cohesion. That face of the European Union is unacceptable to men and women who wake up one morning to discover that the company they work for has changed hands and that they are at the mercy of their employer's economic strategy options. The effect on the lives of those people, their families and their entire region is traumatic and, let's face it, inhuman.'

Among Parliament's various proposals, the idea of setting up an observatory for industrial change is of particular interest. In so far as such an establishment will be independent and will have appropriate resources to carry out its research, and its work is made public and can serve as a basis for democratic debate, it can make a powerful contribution to developing intergovernmental cooperation which, in this area of social policy, remains predominant.' That is not a quotation from some irresponsible or lunatic left-winger.

I am in fact quoting our President, Mrs Fontaine, who made those statements at the Lisbon Summit on behalf of us all. Now, listening to certain leaders of the uptight right, here, today, I wonder if these honourable Members of Mrs Fontaine's group really want to spend their time giving the lie to what our President said before the Heads of State and Government in Lisbon. Of course, Mr Chichester and Mr Plooi-j-van Gorsel tell us, respectively, to 'leave it to the markets' and 'not pick

<sup>5</sup> See Minutes.

winners'. We know the old refrain only too well, privatise profit and nationalise losses. My friend Steven Hughes has explained that the Socialists and the two other political groups tabling a joint resolution do not want a bureaucratic monster.

We do not want a new institution or agency but – as Mrs Péry, the representative of the presidency, says, and I welcome her too – a light arrangement, a light structure, which could coordinate the existing work. In fact, the Commission has plenty of documentation available, and Eurostat can provide very interesting statistics on industrial evolution in Europe and beyond. There are the national governments and research institutes. There must be no duplication of existing work but coordination of it and a report, at least every six months, which can be debated in the Council and in the European Parliament.

We do not want to be mere spectators of the progress of industrial and social change. We want to shape the future, and shaping the future does not mean fighting a rearguard action or useless protectionism, but accompanying change. We are for the new technologies, we are for the new economy, but we also want to help the old sectors adapt. Our aim is a proactive policy. We want to anticipate change, because the future, and especially the economic future, is being built now.

2-140

**Auroi (Greens/ALE).** – (FR) Mr President, Minister, Commissioner, I would like to put this debate into context. As a native of Auvergne, I would remind you that just about a year ago we were debating the Michelin crisis in this Chamber. Michelin announced massive redundancies in its European factories at the same time as record profits on the stock exchange.

At that time, in this very House, we were collectively engaged in reviewing European regulations on company mergers. I would suggest to the Commission that it might be worth having another look at Directive 94/EC and Regulation 4064/89 to strengthen information to and consultation of employees before major change – a euphemism for redundancies – whether due to restructuring or merger. A year later, as a first concrete step, we are offered a monitoring centre for industrial change. Fine, but let it really serve the cause of the employees.

For that, two conditions seem indispensable. The Commission must be allowed to evaluate the implementation of the directive on collective redundancies and closures of companies, and make proposals so that effective sanctions can be applied in case of non-respect of regulations. The two sides of industry must be associated with this initiative by means budgetary resources allocated by the European institutions.

2-141

**Hermange (PPE-DE).** – (FR) Minister, it is a great pleasure to see you here again.

The new economy and globalisation are producing an acceleration of industrial change and Parliament has several times discussed this issue and has established – I myself was the rapporteur – a certain number of procedures and the European works councils, and has done work on information to and consultation of workers. We are awaiting the results of these, Commissioner, because you know we are very committed to them. We have also established procedures like the participation of employees in the capital, profits and results of the company, all indispensable procedures during industrial restructuring and change.

Of course there is still a great deal to be done in this field, but it seems to me that if we need to improve this type of procedure, as my colleagues have said, and it is not uptight to say so – we now have bodies in Europe like the Foundation in Dublin and the European Agency for Health and Safety in Bilbao, with which our Committee on Employment and Social Affairs cooperates, that are in a position to evaluate the consequences of these industrial changes effectively. And we should not forget that both sides of industry also have an indispensable role to play as regards industrial change at the European and the social level.

More particularly, I hope the existing bodies will be required to contribute to making industrial change increasingly transparent and, Commissioner, I hope the texts we are waiting for, on information to and consultation of workers, and the European company, will one day be submitted to this Parliament.

2-142

**Trentin (PSE).** – (IT) Mr President, Mrs Péry, Mrs Diamanopoulou, I would like to start by thanking Mrs Péry for the clarity with which she outlined the Council's proposal, which I fully support.

As has been said, the European Parliament has on several occasions, at times of crises, restructuring or conversion of production plant, decided by a large majority on the need for the European institutions and social dialogue partners to intervene early enough to be able to find all the possible solutions in order to avert avoidable serious social conflict and prevent the deindustrialisation of entire territories and the triggering-off of processes of serious social exclusion.

What Parliament was complaining of was the lack of information which would have made it possible to analyse these processes in due time and, more generally, to examine the changes taking place in production and employment in these firms before such an analysis lost its value due to the precipitous adoption of irreversible decisions.

I feel that the creation of a monitoring centre – a centre coordinating all the information useful for predicting restructuring and conversion processes – could be a valuable service for the Community institutions and facilitate social dialogue at European level. For we are talking about a service activity, not a new institution, a service activity which would contribute to producing a high-quality, timely intervention which is the responsibility of the Union institutions alone.

Therefore, I call upon all those Members who voted on the resolutions on the restructuring processes, from Verwoerd onwards, and especially those who voted on the Michelin affair in a resolution which explicitly provided for the establishment of a monitoring centre for industrial change, to show consistency on this occasion.

Mr President, with a tool such as this, it will, indeed, be possible not only to inform the workers concerned in advance and to explore the possibilities of averting or reducing redundancies – as stipulated by the Community Directive of 24 June 1992 – but also to facilitate at local and Community level dialogue which would make it possible to ascertain the existence of alternative solutions to those put forward by the companies. These could be partly implemented through public intervention as well as through initiatives to find alternative employment for workers whose jobs are under threat and, in particular, initiatives for the vocational retraining of workers.

This is the only way we will be able to ward off the danger represented by restructuring processes or mergers of large companies for large numbers of workers and for certain areas which are undergoing a radical process of decline or exclusion, particularly affecting young workers. Without such a tool and without such preventative analyses, Parliament is destined to remain a centre of belated, ineffective claims.

2-143

**Helmer (PPE-DE).** – Mr President, Mr Hughes says he does not want a new agency and yet his resolution plainly calls for a new agency and to deny it is merely playing with words. He says he wants no interference in industry, and yet Mrs Diamantopoulou talks about preventive measures. She clearly thinks that change is a bad thing. She wants to keep loss-making industries on life-support systems when we should be releasing the resources of labour and capital so that they can work in viable new enterprises. If we want to survive and prosper in the 21st century then we must welcome and manage change. We must not monitor and prevent it. So I was deeply disheartened to hear of this proposal for an observatory. The rule seems to be: another day, another quango.

For the benefit of colleagues I should perhaps explain that a quango is a recently-coined English word short for "quasi non-governmental organisation", in other words, a new piece of bureaucracy, more money spent, more jobs for the boys, more patronage for their bosses. And all for what? To produce fat reports which will be translated into 11 languages but which nobody will read.

We seem to have only two responses in the EU to any real or imagined problem. We either create a new regulation without any concern as to whether existing regulations are working properly or we create an observatory. Then we stand back proud and happy that we have solved the problem. But we have not solved the problem. We have simply postponed it. We have wasted time and money and we have raised expectations which will not be fulfilled. As with so many EU initiatives – I am thinking particularly of the proposed food standards agency – this observatory will simply duplicate the work of other organisations, of innumerable private research companies and accountancy firms, of academic and university institutes, of trade unions and chambers of commerce, and national and local government.

I put two questions to colleagues. First, do we need this observatory at all? I think not. But if we do, would it not be far quicker, cheaper and more cost-effective to commission one of our great European accounting firms to do the work? I am sure it would.

2-144

**Péry, Council.** – (FR) Ladies and gentlemen, just two sentences. I have listened carefully to the debate which has taken place in this Chamber. What I want to say is that all those who support the idea of a European monitoring centre agree on its mission and its form. I find that approach interesting. A mission of information, a mission of exchange, and as to the form, the structure, a flexible, light, efficient structure, relying on existing structures. I see Parliament, the Commission and the presidency united, so I shall leave here quite optimistic that the monitoring centre will come into being.

2-145

**Diamantopoulou, Commission.** – Mr President, I shall be brief because I know time is short. It was a very interesting debate and there were two dimensions. The first is the political one and the second is the technical one. The political debate raised the question whether we should intervene in the new economy or not and I will make just a political point. The new economy is not a natural phenomenon, it is a political phenomenon. That is why there is a need for mechanisms and institutions – not to stop the changes but to manage the changes and to prevent their negative social consequences.

As regards the second dimension, the technical dimension, I agree with the EPP Group that there is no need for a new structure and I agree with all the others who say there is a need for a lightweight and flexible mechanism. This is why we are not proposing a new institution or a new structure. We are proposing to cooperate with the Dublin Institute and to take account of all the other resources (the resources of the Commission and other European institutions such as EUROSTAT and the European Employment Observatory, the evaluations and other studies we have); all these will be taken into account and this mechanism will support the social dialogue between partners, employers and the public and will support policy makers in managing this change.

2-146

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

The debate is closed.

The vote will take place on Wednesday at noon.

2-147

### Question Time (Council)

2-148

**President.** – The next item is Question Time (B5-0535/2000). We will examine questions to the Council.

You know that we have very little time. According to the Rules of Procedure, for supplementary questions – which are not obligatory – you have 1 minute, but there is a Parliament recommendation that only 30 seconds be used. I am not going to insist on 30 seconds, but I would ask you only to ask questions that are essential.

I must point out that Question Nos 1, 3 and 4 were included on the list of questions for the July Question Time but could not be replied to by the Council, because there was not sufficient time to translate them beforehand into all languages, and they are therefore being presented once again at the beginning of this part-session.

2-149

**President.** – Since they deal with the same subject, Question Nos 1 and 2 will be taken together.

Question No 1 by Ioannis Theonas (H-0626/00):

Subject: Inhuman exploitation and flagrant violation of the rights of children in the USA

A Human Rights Watch report entitled 'Fingers to the Bone: United States Failure to Protect Child Farmworkers' reveals that hundreds of thousands of children, primarily of Latin American origin, are labouring on the land in the USA under 'dangerous and gruelling conditions'. These children, aged between 13 and 16, work an average 12-14 hour day on farms, are exposed to particularly toxic pesticides which cause headaches, rashes, nausea and, in the long term, cancers and brain damage, and are forced to carry very heavy and often dangerous equipment. The report also stresses that these children are paid far less than the minimum wage, with some earning no more than 2 dollars an hour.

Does the Council condemn such conditions, which are a gross violation of the child protection charter, which illustrate the USA's hypocrisy when it invokes violations of the Convention on the Rights of the Child to justify not granting preferential trade arrangements and supporting unfair competition to promote its farm produce? Will the Council put this matter to the US authorities in the context of its dialogue with the USA?

and Question No 2 by Glenys Kinnock (H-643/00):

Subject: United Nations General Assembly Special Session for Children

What action does the Council intend to take in order to ensure that the EU makes a positive and constructive contribution to the United Nations General Assembly Special Session for Children, in September 2001, when all states will review commitments and goals set ten years ago at the World Summit for Children? Does the Council agree that it is important that Member States, the Commission and the Council have a coherent approach to this Summit?

2-150

**Moscovici, Council.** – (FR) Mr President, I would like to answer the questions from Mr Theonas and Mrs Kinnock together, because they both deal with the need to ensure that child labour is abolished for once and for all.

As regards Mr Theonas' question, I must emphasise that the European Union fully recognises the importance of abolishing the exploitation of children, which deprives them of their right to a normal childhood and education, and their right not to be subjected to forced labour. The European Union actively supports the action of the United Nations, the International Labour Organisation and the United Nations Children's Fund, better known here as UNICEF. It salutes the adoption of the ILO Convention concerning immediate prohibition and action for the elimination of the worst forms of child labour, ratified by the United States on 2 December 1999, and it will work to ensure that this convention does indeed help eliminate the most intolerable forms of child labour.

The European Union regrets that the United States has not yet ratified the United Nations Convention on the Rights of the Child. Our representatives have been urging the United States to ratify it in bilateral contacts. The Convention has been ratified by the Member States and is of capital importance for the European Union which is actively involved in the current preparations for the United Nations General Assembly Special Session on Children, scheduled for September 2001, to assess progress achieved in the field of the rights of the child over the last ten years.

The European Union often raises human rights issues in the context of its political dialogue with the United States and the Council takes note of the case raised by the honourable Member.

On Mrs Kinnock's question, the Council entirely agrees with her on the importance of good preparation of September's UN General Assembly Special Session devoted to follow-up of the World Summit for Children. The European Union has started actively preparing for the event. It is one of our priorities for the 55<sup>th</sup> session of the UN General Assembly. Although the success of the event depends in large measure on the commitment of the international community as a whole, the Council recognises that the European Union can and must play a major role in the preparations, a role encouraged during informal contacts held with representatives of UNICEF.

In addition, the Council is constantly attentive to the rights of the child wherever issues relating to human rights are dealt with. The preparations for the special session are on the agenda of the Council's human rights group, and it intends to devote a special section of the European Union's annual human rights report to this issue.

Finally, the French Presidency has proposed holding a European Day of the Rights of the Child to its partners, possibly on 20 November 2000 – but I say that with reservations, because it has not yet been made official.

One last point: the Council is promoting the signature of two optional protocols to the Convention on the Rights of the Child adopted and opened for signature by the United Nations General Assembly on 25 May 2000, and we hope a lot of countries will sign at the Millennium Summit, which opens tomorrow and will implement these two optional protocols.

2-151

**Theonas (GUE/NGL).** – (EL) Mr President, I really must thank Mr Moscovici for the quality and content of his reply and for the fact that the European Union feels that the international conventions of the United Nations Organisation, such as the United Nations Convention on the Rights of the Child, should be ratified. I should just like to observe, by way of a supplementary question, that ratification is extremely important, but often it is not enough. Because, if I am not mistaken, the United States have ratified the new International Labour Organisation Convention on Child Labour but the convention is not being applied. And where I think the minister needs to add to what he has told us is on whether the European Union, whether the Council will also demand at a practical level during the two days of contacts that the United States apply the provisions of the International Labour Organisation Convention and the United States convention on the Rights of the Child.

2-152

**Moscovici, Council.** – (FR) It is true that the important thing is implementation, but it is difficult to implement a convention which has not been ratified. That is why we want to start having a much more determined political dialogue with the United States on this issue and press for ratification of the Convention on the Rights of the Child by the United States. We will also hold informal consultations to try to convince them of the need not just to ratify that convention but to adhere to it.

2-153

**President.** – Question No 3 by Rodi Kratsa-Tsagaropoulou, which has been taken over by Mr Folias (H-0627/00):

Subject: Involvement of labour and management

In various Member States there is no dialogue of substance or effective cooperation between government bodies and representatives of labour and management on employment-related issues or, in a broader context, efforts to modernise the European social model.

The conclusions of the European Council held in Santa Maria da Feira referred to the need for labour and management to play a more significant role.

How does the Council envisage strengthening the role of labour and management? How will it monitor their involvement more effectively?

2-154

**Moscovici, Council.** – (FR) The Council has always regarded social dialogue as enormously important. But you will appreciate that it is not up to the Council to advocate any particular model of social dialogue at national level, because that lies entirely within the competence of each Member State. However, in terms of the social dialogue at European level, both sides of industry in Europe are already heavily involved in two aspects of Community action: coordination of economic policies, and the effort to implement the European strategy for jobs.

On the latter aspect, both sides of industry participate, with the Council and Commission, in the work of the standing committee on employment with a view to facilitating coordination of employment policies in the Member States by harmonising them with Community objectives. Our social partners are also associated with the work of the committee on employment, consultation of both sides of industry in this context being informal.

As regards the efforts to strengthen the European strategy for jobs, when the employment guidelines are revised in 2001, both sides of industry, including those at national level, will be invited to play a more important role in their definition, and in implementing and evaluating the guidelines which fall within their scope. The stress will be on modernising the organisation of work, education for lifelong learning and raising the employment rate, especially for women.

There are also grounds for suggesting that it is up to the Commission, pursuant to Article 138 of the Treaty, to consult both sides of industry on the possible orientation of a Community action before presenting proposals in the area of social policy. As an example, the Commission has recently consulted its social partners on the possible orientation of a Community action on modernising and improving working relations.

As regards the modernisation of the European social model, both sides of industry will be associated with the work of the new committee on social protection, just as they are already associated with the work of the old committee on employment and the labour market and its successor, the committee on employment. Following the conclusions of the Lisbon European Council, the Fifteen are due to adopt a European social policy agenda at the Nice European Council in December 2000. That is an important priority for the French Presidency. The working document for that agenda is a communication from the Commission adopted on 28 June. There will be contributions to it and consultations on it under the French Presidency, and naturally both sides of industry are expected to be closely associated in drawing up the social policy agenda.

2-155

**Folias (PPE-DE).** – (EL) Mr President, I should like to thank the minister for his reply; I naturally endorse the fact that the importance and value of the social partners in shaping a new model are much greater than anyone can imagine. But what I should like to ask is this: when a tripartite dialogue takes place between the two sides of industry and the national government, how far can the national government ignore what was jointly agreed and proposed by the social partners? Or, taken the other way, how binding on a government are proposals decided jointly by the social partners, who know better than anyone what the problems of society and the causes of unemployment are and what problems need to be solved in order to deal with unemployment, or how binding should they be on any national government?

2-156

**Moscovici, Council.** – (FR) Mr Folias, it would certainly be desirable to make things more restrictive, but this is not the route which has been adopted within the European Union. On the one hand, there is the subsidiary nature of social problems and, on the other, the selection of a method we call the open method of coordination. We are currently succeeding in reconciling the problems of economic coordination, the major objectives of economic policy, the problems of coordination in social terms, the guidelines for employment and the various methods, and the various bodies working on it. I think that this is an approach which must be continued because, as we know, Europe is very diverse. Europe must not and cannot interfere in everything. At the same time, the involvement of both sides of industry must be continually intensified.

2-157

**Rübig (PPE-DE).** – (DE) Mr President, the social partnership should be a forward-looking partnership. The first priority should be to implement what both sides want for themselves, and I believe that dialogue is an essential and important prerequisite in this respect.

What do you perceive the role of the existing Economic and Social Committee to be in this context, and what changes do you think will need to be made here, to enable it to become more actively involved in the work in future?

2-158

**Moscovici, Council.** – (FR) The Council does not have any response to this question at this stage.

2-159

**President.** – Question No 4 by Glyn Ford (H-0697/00):

Subject: Professor A Pelinka and Austria

Is the Council aware of the case of Professor Anton Pelinka who has had his work in the European Monitoring Centre deliberately impeded and sabotaged by the Austrian Government and who has consequently had to resign from his position as Vice-President and member of the Management Committee of the Monitoring Centre?

Does the Council not believe this to be a clear case of political interference of the kind many of us believed would follow from the entry into government of the Austrian Freedom Party?

Does the Council not believe that this case justifies the imposition of sanctions and makes it all the more important for the sanctions to be maintained?

2-160

**Moscovici, Council.** – (FR) The Council is indeed aware of Professor Pelinka's resignation from his post as Vice-President of the European Monitoring Centre on Racism and Xenophobia on 31 May this year. However, the measures adopted by the 14 Member States on 31 January, which are going to be reassessed, or, at least, which are due to be reassessed in the light of the report of the Wise Men, are of a strictly bilateral nature. As such, they do not implicate the institutions of the European Union and, consequently, the Council is not justified in declaring an opinion on whether or not they should be maintained. As you know, three experts were designated by the President of the European Court of Human Rights on 12 July in order to check specifically whether the Austrian Government had contravened common European values since taking office on 4 February, and also to look into the decidedly unique political character of the Austrian Freedom Party. The Member States will, of course, be very interested to peruse the experts' report when it is published, which, according to my information, should be very soon.

2-161

**Ford (PSE).** – Mr President, I had the privilege of being a member of the Council of Ministers' Consultative Committee on Racism and Xenophobia, along with Professor Pelinka. He was a highly valued if not slightly boring member, who tried to prevent us going too far in our recommendations and acted as a brake on some of us who were more enthusiastic about pushing forward.

Is the Council aware that the management committee of the Monitoring Centre has passed a resolution expressing regret at the resignation of Professor Pelinka and the events leading to that resignation and is the Council prepared to draw the attention of the Wise Men to this particular incident and ask them to include that in their report because it clearly seems to be a possible example of how our common European values are being undermined by the current government in Austria?

2-162

**Moscovici, Council.** – (FR) Mr Ford, I have my own personal opinion on the matter. I imagine that you know something of my views as a member of the French Government. They are known to Austria at least. The fact remains, however, that I am speaking right now on behalf of the Council and, let me repeat, these measures are bilateral measures, not measures undertaken in the context of the European Union.

As far as the report of the Wise Men is concerned, it is, by definition, a matter for them alone. I have no doubt but that in the detailed study they make of the Austrian situation, after a number of consultations, they will be able to take the diversity of individual situations into consideration, or, at least, I hope so. That, in any case, was the mandate given them.

2-163

**Sjöstedt (GUE/NGL).** – (SV) I have listened to the French Presidency's answer with a great deal of interest. The Pelinka case is a very serious legal case which may be said to constitute direct interference with freedom of expression in so far as the legal apparatus is being used in practice to silence political criticism. The Council has now explained that it cannot comment "in its capacity as the Council of Ministers", but the French Government may perhaps comment in its own capacity. Is this matter not thought to be serious and to need to be included in the assessment being made in the Wise Men's report?

2-164

**Moscovici, Council.** – (FR) I believe that the stance of the French Government and even the French authorities on this matter has been known from the outset. We were by no means the last to demand the bilateral measures which were taken. The fact remains that I am speaking right now, let me repeat, on behalf of the Presidency of the Council of the European Union, and that those measures are not measures undertaken within the context of the European institutions but rather a set of bilateral measures undertaken by 14 Member States with regard to the fifteenth.

That, sir, is all I wished to say, and I repeat, once again, that, by definition, if we want the Wise Men's report to be truly wise, we must allow them to work wisely, and not try to influence them one way or the other. I place my trust in these important political and legal figures, especially the former Finnish President, Mr Ahtisaari, since he has shown in the past that he is capable of assessing complex situations.

2-165

**President.** – Question No 5 by Cristina Gutiérrez-Cortines (H-0597/00):

Subject: Request for a documented assessment of the education of children in the countries applying for EU membership

In view of the economic crisis and profound structural changes that the majority of the applicant countries in the enlargement process have undergone, will the Council say whether all children in these countries are receiving an education? To what age is education in these countries compulsory? Is there any means of guaranteeing that all future citizens of the EU receive an education?

2-166

**Moscovici, Council.** – (FR) The Council is in possession of the latest statistics provided by Eurostat. I have them here and I am willing to offer them to the honourable Member. The data refer to the now distant school year 1997-1998, and show that in 11 countries which are candidates for membership of the European Union, the duration of compulsory schooling is nine or ten years, i.e. until the age of 15 or 16, depending on the case. It is therefore possible to estimate that the

percentage of young people in education at 16 is approximately 90% and at 18 approximately 60%. Reliable statistics are not yet available for Cyprus and Malta, and Eurostat has not yet begun to collaborate with Turkey on educational statistics, but it is, understandably, not a simple matter where retrospective data is concerned.

If she requires further details, the Honourable Member can also consult a collection entitled "Key Data on Education in the European Union", produced by Eurydice in collaboration with Eurostat and published by the Commission in French, German and English. Let me do a little advertising by announcing that the 1999-2000 edition is now available.

Finally, on the subject of the education of all European citizens, you should remember that it is up to every Member State and every candidate country to ensure that this objective is achieved. Once more, I should like to make the statistics, in the form in which I have them, available to Mrs Gutiérrez-Cortines.

2-167

**Gutiérrez-Cortines (PPE-DE).** – (ES) In fact, I have consulted the statistics and I have consulted the information provided by the European Foundation for Education, and I am surprised by the rosy picture they paint of the situation in the countries of the East.

The news we ourselves have received all indicates that, while the system has fallen, an enormous crisis has been declared. There are problems in very many places. In rural areas, many teachers are in practice not being paid, and I do not believe that, with the crisis of structural change suffered in the rest of the system, education has been kept in the wonderful state indicated in the statistics.

It therefore concerns me that there is no way of searching or taking soundings. It is clear that, beyond subsidiarity, even beyond formal legitimacy, there is a moral legitimacy, which is based on our commitment to ensure that in the rural areas, in the new Europe, in the new countries which are going to join us, not a single child should remain without access to education or be deprived of the right to education which they deserve.

2-168

**Moscovici, Council.** – (FR) I was basing my answer on the facts available to me, i.e. the statistics. I am not willing to make a qualitative judgement which might not be justified. Let me repeat to the honourable Member that I have available a table which, in effect, shows that what I have said includes the disparities. There is an average, of course, but there are also cases of greater or lesser advantage, which undoubtedly illustrate situations at grass roots level which are not at all equal. I can give you this summary table if you wish, Mrs Gutiérrez-Cortines.

2-169

**Alavanos (GUE/NGL).** – (EL) Mr President, I should like to take advantage of the question by Mrs Gutiérrez-Cortines to touch on an aspect of tertiary education in candidate countries which affects young people not from these countries but from other Member States of the European Union, such as Greece, who attend universities in candidate countries in large numbers. My question to the President-in-Office is this: is there any thought, are there any prospects, are there any plans to extend the scope of the directive on the mutual recognition of tertiary education diplomas which applies to the Fifteen to the candidate countries? And if so, when? Will this be done once the accession procedures have been completed or could it be done earlier in order to solve the present problems? I understand that the President-in-Office may not be able to give me an answer right now but perhaps he could inform us if or when he has an answer.

2-170

**Moscovici, Council.** – (FR) At this stage I can give you an initial answer, to the effect that one of the objectives of the French Presidency, as you perhaps already know, is what we call the European Research Area. It is something we are working on together with Jack Lang, the objective being to remove all obstacles to the mobility of students, teachers and researchers. This, of course, also involves harmonising the recognition of qualifications. This is what we wish to do for the European Union. It is not an easy task. I think that, as far as we ourselves are concerned, it would be ambitious to set a target of five years.

For the rest, however, it is a complicated matter to attempt harmonisation with countries which are not yet members of the European Union. It must be considered, however, that if this is made a requirement within the European Union, then this is the requirement within the body to which the candidate countries wish and are going to accede. The question of whether it should be an approach like that used for the internal market or like that in use for the Schengen countries can be posed at a later date. The fact is, however, that we still have a few years to consider the matter.

2-171

**President.** – Question No 6 by María Rodríguez Ramos, which has been taken over by Mr Medina Ortega (H-0605/00):

Subject: Negotiating mandate covering the agricultural section of the free trade agreement with the Maghreb

The Commission has submitted its proposal for a negotiating mandate for the free trade agreement with Morocco, Tunisia and Israel to the Council's 'Maghreb' Working Party. The proposal covers all theoretically possible liberalisation measures, from increasing quotas to reducing customs duties, with various formulas for handling entry prices.

What are the scope and substance of the mandate?

2-172

**Moscovici, Council.** – (FR) Morocco, Tunisia and Israel are the three partners of the European Union whose Euro-Mediterranean association agreements have entered into force. These agreements include a periodic review clause for agriculture, according to which the parties undertake to plan for the increased liberalisation of their agricultural trade, with this process complementing the gradual dismantling of the tariff system in preparation for the setting up of the industrial free trade area due in 2010. It is strictly limited to agriculture. It does not, therefore, concern, for example, fisheries products which are dealt with as part of other negotiations. The Morocco, Tunisia and Israel association agreements make provision for examination of the agricultural trade situation, as of 1 January 2000, with a view to the establishment of gradual liberalisation measures, beginning on 1 January 2001.

The negotiations which are due to open must therefore make it possible to strengthen this Euro-Mediterranean partnership. They are also designed to achieve a better balance in agricultural trade with the three countries concerned, with regard to which the Union has a structural deficit. The European Union is the prime outlet for the agricultural production of its partners, and takes up two thirds of their exports. Currently, 95% of exports of agricultural products from Morocco, Tunisia and Israel to the European Union are exempt from customs duties. On 20 July 2000, the Council approved the Commission's negotiating mandate, which comprises general guidelines. It is a matter of facilitating improved access to the markets of the partner countries for Community products and of greater balance in mutual preferences, including by means of exempting new products from customs duties. It also defines the room for manoeuvre the Commission is allowed in restoring balance in trade and concluding negotiations.

At the request of the Member States, the measures which may give rise to concessions are strictly delimited. The mandate therefore authorises the Community negotiator, if necessary, to grant the Mediterranean partners tariff preferences for new products or to improve existing concessions, while, however, taking the vulnerability of certain products and the mechanisms of the common agricultural policy into consideration. In this respect, it specifies that the Commission is, in collaboration with the Member States, to carry out an assessment of the potential impact of the concessions on the economic and commercial interests of the European Union, and obviously the Council will not take a decision until it has consulted the results of this assessment.

2-173

**Medina Ortega (PSE).** – (ES) Mr President, I am happy that the Council is also taking account in this negotiation of the sensitivity of certain regions and certain products, especially in the agricultural sector. At the moment there are agricultural sectors in the Mediterranean and also in the outermost regions of the Community, which could be threatened as a result of the very generous proposed concessions by the Commission.

I would just like to repeat what I said and encourage the Council to persist in maintaining the greatest possible vigilance so that those sectors are not fundamentally damaged by overly-generous concessions.

2-174

**Moscovici, Council.** – (FR) I believe that this is exactly the philosophy which will be guiding our negotiations. I can therefore only endorse what is more a compliment than a question.

2-175

**President.** – Question No 7 by Alexandros Alavanos (H-0610/00):

Subject: EU-Turkey partnership

In the process of adopting Regulation EC/764/2000<sup>6</sup> regarding the implementation of measures to intensify the EU-Turkey customs union, on a proposal from the Commission, Parliament's amendments concerning democratisation, respect for human rights and the rights of minorities in Turkey were effectively rejected. This development has given rise to fears as to whether the 'partnership', which will reportedly be discussed in the Council at the end of the year, will abide by the political terms and conditions laid down by the Helsinki Summit.

Does the Council, therefore, intend to adopt the proposal for a Regulation (COM(2000)169) regarding the implementation of measures to promote economic and social development in Turkey, together with the partnership? Can it give assurances that the Helsinki political criteria will be clearly defined within the partnership and that the mechanisms for monitoring Turkey's progress towards democratisation will operate as they do for the other states applying for membership?

2-176

**Moscovici, Council.** – (FR) Following the adoption, on 10 April this year, of the regulation regarding the implementation of measures intended to intensify the EU-Turkey customs union, on 13 June this year the Council adopted its common position on the proposal for a financial regulation on the implementation of actions to promote Turkey's economic and social development. This common position was sent to the European Parliament for second reading at the July 2000 part-session. The Council awaits Parliament's opinion with interest.

<sup>6</sup> OJ L 94, 14.4.2000, p. 6

You know that, in December 1999, the Helsinki European Council recognised Turkey's candidacy on an equal footing with the other candidates in terms of rights and obligations and decided to implement a pre-accession strategy for Turkey. In Feira, the Heads of State and Government invited the Commission to submit proposals regarding the single financial framework for aid to Turkey and the accession partnership as soon as possible. As you know, at the end of July, the Commission approved a proposal for a Council regulation on launching Turkey's accession partnership. It is on the basis of this regulation that the Commission will, at a later date, submit its proposal for partnership, but it will include the short- and medium-term priorities and objectives to prepare for accession in accordance with the model adopted for the other candidates.

The Commission will present its proposal on the implementation of a single financial framework at a later date. It goes without saying that, in working out this partnership, the Council will pay particular attention to compliance with the political criteria for accession, particularly in the areas of human rights, rule of law and the legal system. It will also ensure monitoring to verify that Turkish legislation is made compliant in this and in other areas, in order to ascertain that this is carried out in the same way as in the other candidate countries. In this connection, it should be noted that preparations for the examination of Turkish legislation in all the areas of the *acquis communautaire* have been undertaken within the EU-Turkey Association Council. In addition, the Feira European Council requested that the Commission submit a progress report to the Council on the work undertaken in this area.

2-177

**Alavanos (GUE/NGL).** – (EL) I would like to thank the minister for his reply; however, I note that, whereas I specifically asked if the Helsinki criteria would be defined within the partnership, he evaded the question. I should therefore like to repeat and specify and update my question. The 15, and first and foremost the presidency, received a letter from Mr Gem a few days ago asking for the partnership between Turkey and the European Union which is now on the drawing board not to mention Helsinki Articles 4 and 9 relating to Greek-Turkish relations – in his words, border differences – and the question of progress on the Cyprus issue. I should therefore like to repeat my question to the minister and again raise the issue which he evaded: will mention be made of the Helsinki criteria on the Cyprus question and Greek-Turkish relations or will Mr Gem's proposals be accepted? What is the Council's reply to Mr Gem?

2-178

**Moscovici, Council.** – (FR) I do not have a specific answer on this issue. What I do recall is the European Council in Helsinki, as I took part in this discussion there, having just a short time before been on a brief diplomatic mission to Turkey and Greece, and the Helsinki conclusions are the ones which are binding upon us and upon everyone. That is the general rule. That is the basis on which we conducted our negotiations.

2-179

**Korakas (GUE/NGL).** – (EL) Minister, nine months after Turkey was granted candidate status in Helsinki, and irrespective of my opposition to Turkey's accession, do you believe that there has been any progress with democratisation, which was one of the criteria for accession, or have you concluded that what we forecast at the time has come true, i.e. the Helsinki resolution has encouraged the Turkish regime to continue its inhumane policy?

What we have concluded, as you too can see, is that there has been no progress whatsoever in democratising the constitution and the penal code, parties such as the Communist party have been banned, the prison situation is festering, political prisoners are being treated inhumanely, new F-cells have been created for harsh, inhumane solitary confinement, lawyers who defend political prisoners are being humiliated, Kurdish villages in Iraq have again been bombed, more beatings have been carried out and arrests have been made in Diyarbakir, Istanbul and elsewhere for the events of 1 September, which is the international day of peace. Similarly, not only does Turkey continue to occupy 38% of Cyprus following its barbaric invasion in 1974, contrary to repeated UN resolutions which Turkey disregards in the most provocative manner, but Mr Ecevit states that the Cyprus question was resolved in 1974 and refuses to apply resolutions to pay...

*(The President cut the speaker off)*

2-180

**Moscovici, Council.** – (FR) I do not share the viewpoint which seems to underlie your question, namely this opposition to the candidacy of Turkey. Turkey's candidacy was in fact made possible by a welcome rapprochement between Greece and Turkey, which, I hope, will continue, particularly under the enlightened leadership of the two great diplomatic leaders, Mr Papandreou and Mr Gem, both of whom I consider my friends. Having said that, let me repeat, Turkey's candidacy has been accepted on equal terms with regard to both rights and duties. In order for Turkey to become a member of the European Union, it must respect its values and therefore make the necessary efforts. At the same time, we must greet its efforts positively. Nine months may be a long time for a human being to develop before birth, but it is an extremely short time for a candidate country.

2-181

**President.** – Question No 8 by John Joseph McCartin (H-0614/00):

Subject: US farm subsidies

Has the Council of Ministers considered the recent substantial increases in agricultural subsidies provided for its farmers by the US Government, which now represent more than EUR 16 000 per farmer. Are these subsidies in violation of WTO agreements and does the Council propose to take any action on this?

2-182

**Moscovici, Council.** – (FR) The United States have not yet notified the WTO of the measures to which the Honourable Member refers, which could warrant investigation under Article 18 of the WTO Agreement on Agriculture. Moreover, I should point out that agricultural subsidies are among the subjects dealt with in the WTO negotiations which commenced in June 2000. The implementation of the reduction commitments agreed at the time of the 1994 Marrakech Accord is also scheduled for examination in the course of these negotiations, which are based on the principles outlined in Article 20 of the Agreement on Agriculture.

The relevant Council bodies receive regular progress reports from the Commission with regard to the negotiations and other activities undertaken within the WTO's agricultural bodies, and if the Commission considers it useful, the matter of the compliance of the United States' subsidy policy with the commitments signed in the Uruguay Round and other measures to be taken in this respect will be referred to the Council.

2-183

**McCartin (PPE-DE).** – I wish to raise the question with the President-in-Office of the change in American policy since we in the European Union changed the whole direction of the support we give to agriculture following the last round of GATT negotiations. The United States Government has more than doubled the level of subsidies per farmer. At the same time the European Union, in pursuit of its policies which were forced on us by the clearance group and the United States, has reduced its share of world markets in the dairy sector, in the cereal sector and in the meat sector. I consider that since the American Government has doubled the level of aid that it extends directly to its farmers the European Union has in fact been wrong-footed and that the policy which has led us to a reduction in our share of world markets is in fact outdated and should be reviewed.

2-184

**Moscovici, Council.** – (FR) I shall not go into the details, but these are, in fact, the sort of considerations which justify our rejecting attacks which may have been made on the common agricultural policy and our own system, and that is also the reason why the European Union adopted an overall negotiating mandate designed to safeguard the social model and the farm model, not to mention the European cultural model, with regard to the WTO. Rest assured that, as far as we are concerned, the mandate is still the basis for further negotiations.

2-185

**President.** – Question No 9 by Myrsini Zorba (H-0616/00):

Subject: Change to the unanimity required for cultural issues in view of the Intergovernmental Conference

Europe's common cultural heritage, alongside the development of the Member States' cultures and respect for diversity, has been considered an important aspect of European integration and has been incorporated into the EU Treaties, in Article 151. This article specifically provides for the encouragement of cooperation between Member States, in order to support and supplement actions in various particularly vulnerable areas.

However, decisions in this area are subject to the unanimity procedure, which makes it difficult for important decisions on cultural issues to be taken.

Cultural realities and cultural policies vary widely, and large cultural disparities can be seen in the field of infrastructure, which are exacerbated by the introduction of new technologies. I believe that more decisions should be taken in the cultural field, and that they should be taken in a more flexible manner.

Therefore, in view of the Intergovernmental Conference, is there an intention to change the current legal regime and for the qualified majority procedure to be used for decision-taking? Secondly, how has Article 151(4) on the inclusion of cultural aspects in all the EU's actions been implemented to date?

2-186

**Moscovici, Council.** – (FR) It is true that extending qualified majority voting to European Union sectors of activity which currently require unanimous votes is indeed one of the major issues of the Intergovernmental Conference currently taking place. This is a crucial issue of democracy. In a democracy, decisions are agreed by the majority not by unanimity. In this context, Article 151 is one of the provisions likely to be converted to the rule of qualified majority voting.

I am sure that Mrs Zorba would agree that it is still too early to ascertain what direction the proceedings of the Intergovernmental Conference are going to take, even though I would hazard that, quite possibly, consensus will be reached quickly regarding Article 151, for not everything can be a source of disagreement. As regards the manner in which Article 151(4) of the Treaty has been applied, I shall simply respond by saying that respect for and furtherance of the diversity of the cultures of Europe remain at the heart of the entire Community structure.

2-187

**Zorba (PSE).** – (EL) Minister, everyone who knows that we urgently need a cultural policy in the European Union also knows – and I agree with you – that the Intergovernmental Conference represents a huge chance to change the unanimity

rule. The Intergovernmental Conference is not a procedure which is foreign or bears no relation to the Council and it obviously takes account of all points of view and all types of need. It does not operate in a vacuum. My question therefore is this: is the Council doing anything to change the unanimity rule and push for a change at the Intergovernmental Conference. The more economic policies progress, the more we need to study their cultural impact and develop a structural cultural policy. That was the meaning of my question; I do not think we should just stand around and wait because it may be too late by then and an agreement may not be so easy to reach.

2-188

**Moscovici, Council.** – (FR) The Council as such is not, by definition, a member of the Intergovernmental Conference. I would urge you to trust the French Presidency of the Council and the European Council to further the cause of extending qualified majority voting. Let me abandon my official role for a second to say that we would like to see qualified majority voting become the general rule and unanimous voting the exception, rather than the opposite, which is the case at present.

2-189

**President.** – Question No 10 by María Izquierdo Rojo (H-0617/00):

Subject: Cost of enlargement and Mediterranean agriculture

In the light of forecasts and the most recent legislative proposals on Mediterranean agriculture, which concern products such as cotton, rice, fruit and vegetables, tomatoes, nuts and olive oil, among others, and will have adverse effects on employment and social development in these poor regions of Europe, and bearing in mind also the budgetary plans for EU enlargement, what will the Council do to ensure that Mediterranean agriculture does not end up bearing the brunt of the costs of the forthcoming enlargement?

2-190

**Moscovici, Council.** – (FR) I understand the concerns behind the honourable Member's question. I feel, however, the question itself contained observations of quite a different kind.

Regarding your preliminary remark: the ongoing reforms of the common market organisations for predominantly Mediterranean products are intended to enable these markets to adapt to competition outside Europe, which is often extremely fierce, and to stabilise the production of these items within the European Union. The desired aim is, therefore, indeed to maintain employment in areas which generally offer few possibilities for conversion to the cultivation of other crops.

This is the spirit in which the Council will declare its opinion on the legislative proposals put forward by the Commission, when the time comes. Moreover, the European Union's Ministers for Agriculture, whose informal six-monthly meeting has been held from Saturday until today in Biarritz, have just stressed their determination, now more clearly than in the past, to focus in agricultural policies on boosting product quality and diversity.

You then went on to make reference to the impact of European Union enlargement on the budget. In my view, this is not directly related to the adoption of the CMO reforms I was talking about just now. The impact of enlargement on the budget was the subject of intense discussion at the European Council in Berlin in March 1999 when the financial perspectives for 2000-2006 were drawn up. For each year in this period, and for each heading, the financial perspectives give the expenditure totals as commitment appropriations, and the commitment appropriations laid down under the various headings of the financial perspectives are not interchangeable.

There is hence no question of enlargement-related expenditure being funded at the expense of agricultural expenditure under heading 1 of the financial perspectives. I therefore do not see how future enlargement can be carried out at the expense of Mediterranean agriculture under the financial perspectives for 2000-2006. When the time comes, most probably by 2005 at the latest, we will, of course, have to establish a new institutional agreement on the future financial perspectives, but I am sure you will agree that this date is still too far away for us to be expected, reasonably, to discuss the matter today.

2-191

**Izquierdo Rojo (PSE).** – (ES) Would you be prepared to make some sort of recommendation with a view to preventing the negative impact of enlargement on the Mediterranean? In truth, through his actions and proposals, Mr Fischler, the Commissioner responsible for Agriculture, has made the anti-Mediterranean impact of enlargement a reality. It is a fact that the whole of the Mediterranean area is frightened about this. As I can see that the Council is standing firm in its political will, and in order to prevent – as you say – anything like this happening, not through good intentions but through facts, I would like to ask you whether the French Presidency, before it ends, would be willing to make, in the way it considers appropriate, some kind of recommendation which would dispel these concerns, that is to say, which would ensure that Mediterranean production would in no way pay the price for enlargement.

2-192

**Moscovici, Council.** – (FR) This is not a subject that I am prepared to make impromptu comments on. I can assure you of just one thing, Mrs Izquierdo Rojo, and that is that, as far as we are concerned, the financial perspectives, which were the product of tough negotiating in Berlin, represent a framework which it would be extremely difficult for us to shift. We do not wish to do so, and so, once again, we shall discuss the matter again in 2005.

2-193

**President.** – Question No 11 by Anna Karamanou (H-0619/00):

Subject: Attack on Greek minority in the village of Dervitsani in Albania

The Greek inhabitants of Dervitsani, a village in Albania, passed the night of 3 to 4 July 2000 in shelters after being attacked by anti-tank missiles from the neighbouring village of Lazarati. The police who arrived on the scene failed to make any arrests. This is not the first attack against the Greek minority. The previous week the Council of Europe had recommended that the Albanian government take measures to protect the minorities living in Albania. Given the fact that the Council of the European Union adopted the action plan for Albania on 13/14 June 2000, will the Council say what political measures it intends to take and what immediate measures it will promote in order to strengthen security in the region and ensure the physical safety and the fundamental rights of minorities in Albania?

2-194

**Moscovici, Council.** – (FR) The Council is aware of the armed attack upon the village of Dervitsani from the village of Lazarati which occurred during the night of 3 to 4 July 2000, during which automatic weapons and explosives were used. According to the information available, the firing was carried out by a small group of people allegedly wishing to prevent the Albanian police carrying out arrests in their village. Even though the Greek minority was not the target of the attack in question, the attack nonetheless contributed to creating a climate of insecurity in the region.

The European Union supports the efforts of the Albanian Government to restructure and modernise its police forces in order to increase the security of Albanian citizens and of the region. The Multinational Advisory Police Element in Albania, formed under the authority of the WEU Council and deployed in Albania since 1997, has widened and developed the scope of its mission following the adoption, in March 1998, of a joint action on the European Union's contribution to re-establishing a viable police force in Albania.

Following the adoption of the action programme for Albania and the neighbouring region, the Council is currently examining the proposed measures in order to identify those which can be implemented speedily. The action programme is basically devoted to matters relating to problems of migration and asylum.

The proposed measures do, however, include projects in the field of human rights and the protection of minorities. The European Union is, moreover, already active in these fields. Since Albania is eligible for an association and stabilisation agreement, its performance in terms of respect for democratic principles and human and minority rights and in terms of public order and the rule of law, are closely monitored by the European Union, I can assure you.

2-195

**Karamanou (PSE).** – (EL) I should like to thank the Council representative for his reply. However, the purpose of my question was to draw attention once again to the huge problems in the Balkans, problems caused by economic and social deprivation and, more importantly, the fact that there is no democratic infrastructure. The attacks on the Greek minority were just one in a series of incidents which occur in Albania on a daily basis. My question therefore, minister, is how far are you prepared to give real support to Albania so that the rule of law can operate? We saw no such support in the action programme decided for Albania. You place greater emphasis in the action programme on how to stop immigration and how to send refugees back to Albania, which is clearly not a safe country, than on how we can give his country the means to develop. We seem to have promised the Balkans a great deal but are unwilling to put our promises into practice. I should like answers to these questions, minister.

2-196

**Moscovici, Council.** – (FR) I share your view, Mrs Karamanou, that the incidents mentioned appear, at first sight, to indicate a general problem of security and public order in Albania rather than a campaign of deliberate attacks on the Greek minority. This is a general problem which must be dealt with as such.

The action plan for Albania to which you refer is a High Level Working Group on Asylum and Migration action plan for Albania and the neighbouring region, adopted by the General Affairs Council on 13 and 14 June this year, intended, in effect, to define and coordinate European Union resources with a view to responding to the problems of asylum and migration in Albania and the neighbouring countries and, as such, it is not intended to promote the rights of any particular minority.

Nonetheless, the suggested actions do include projects or programmes seeking to step up democracy and respect for human rights and minority rights in general. The Council working groups are currently proceeding to examine the various measures proposed in order to identify which of them could be implemented in the near future. An interim report is expected for the European Council in Nice in December.

2-197

**President.** – Question No 12 by Esko Olavi Seppänen, which has been taken over by Jonas Sjöstedt (H-0622/00):

Subject: Reduction of TACIS aid to Russia

The European Union has punished Russia for its military action in Chechnya by reducing aid paid under the TACIS programme. At the Feira European Council it was decided to relax sanctions. Under what conditions does the Council consider that the TACIS funds should be granted to Russia for this year and next year?

2-198

**Moscovici, Council.** – (FR) In the wake of the Feira European Council, the General Affairs Council on 10 July this year requested that the Commission resume preparations for an indicative TACIS programme in favour of Russian, to cover the years 2000-2003, and to draw up a proposal for a TACIS action programme targeted at the year 2000.

The relevant management committee is scheduled to examine these proposals on 17 October this year. The priority objective of this programme will be to support the rule of law in Russia, complying with the democratic requirements of a modern democracy and benefiting Russian society as a whole. Special attention is to be paid to supporting institutional and economic reforms, schemes undertaken for the democratisation and reinforcement of civil society and the protection and development of independent media.

Moreover, the Council has agreed to adopt further decisions on guiding cooperation with Russia and the use of the available instruments, in the light of the development of the situation in Russia.

2-199

**Sjöstedt (GUE/NGL).** – (SV) I would thank the President of the Council for that answer. I should like to ask a follow-up question: What conditions are being laid down for in fact providing this aid? Does the Council believe that the present situation in Chechnya is such that it is reasonable to provide this aid to Russia?

2-200

**Moscovici, Council.** – (FR) Yes. In 2000, only EUR 34 million have been committed to date, following the reorientation of the Helsinki programme. A second tranche will be allocated to aid in support of the reform process initiated by the Russian authorities recently in order to establish a genuine rule of law, which will bring the TACIS appropriations allocated to Russia in 2000 to EUR 92 million at the most.

The only answer I can give you regarding the budget released in 2001 is that it will depend on the decisions the Council is induced to make at a later stage in the light of development of the situation in Russia. This situation will be assessed in relation to the criteria for the progress to be achieved in terms of institutional reforms, democratisation, the strengthening of civil society and human rights protection throughout the territory of Russia. Examination of the situation in Chechnya will thus clearly be part of the assessment process.

2-201

**President.** – Question No 13 by Manuel Pérez Álvarez (H-0624/00):

Subject: Incidents at the Matosinhos market

During the night of 22 June 2000, various groups – probably coastal fishermen from Póvoa de Varzim and Matosinhos according to various sources – used blunt instruments to break open the doors of four Spanish lorries containing sardines in front of the premises of the company Docapesa S.A. at Matosinhos market. They then removed the fish from the lorries and sprayed it with diesel oil or similar products in order to damage it permanently, while uttering threats.

Apart from the damage caused to the four companies concerned – one of them calculated that the damage to the fish amounted to nine million pesetas and the damage to the vehicles to 300 000 pesetas – incidents of this kind should not be allowed to happen (a similar incident involving mackerel occurred in 1998).

What steps will the Council take to prevent any recurrence of such incidents, which are against the law but in particular are contrary to the spirit and principles underlying the European Union? Does it plan to make any arrangements to compensate for the unfair and deliberate damage caused?

2-202

**Moscovici, Council.** – (FR) Mr President, the Council deeply regrets the incidents which occurred at the Matosinhos market during the night of 22 June 2000 and the losses incurred by the victims of these acts of violence.

It is important to stress, however, in this connection, that it is up to the individual Member States to ensure compliance with the regulations of the common fisheries policy and the free movement of goods, and to take appropriate measures within their national legislative systems. The offences in question should be punished in accordance with the terms of the criminal and civil law of the Member State concerned.

To this end, let me remind you that on 7 December 1998 the Council adopted Regulation (EC) No 2679/98 on the functioning of the internal market in relation to the free movement of goods among the Member States, establishing procedures for the Commission to take action to require Member States, who alone are responsible for maintaining public order, to quickly remedy serious barriers to the free movement of goods caused by the actions of private individuals.

2-203

**Pérez Álvarez (PPE-DE).** – (ES) Mr President, first of all I would like to say that relations between Galicia and the North of Portugal have always been special, because the Miño river has never marked a boundary, it has not separated, but rather united. However, unfortunate events such as those which took place on 22 June, caused by a small number of people, must not become the general rule. It is therefore important to adopt measures which will prevent, in all events, their repetition and that the sanction adopted by the competent parties shall serve as an example.

Therefore, those of us from the other side of the river – and we are all Europeans – wanted to know how this issue is being dealt with and whether exemplary decisions have been taken so that these events will not be repeated in the future.

2-204

**Moscovici, Council.** – (FR) I can only repeat my previous answer, namely that the maintenance of public order and any application of penal sanctions are a matter, respectively, for the jurisdiction of the police forces and the legal authorities of the Member State concerned.

Let me quote the relevant part of the Regulation, which stipulates that, “Where the Commission considers that an obstacle is occurring in a Member State, it shall notify the Member State concerned of the reasons that have led the Commission to such a conclusion and shall request the Member State to take all necessary and proportionate measures to remove the said obstacle.”

I therefore feel – and I am not saying that in order to duck the question, as we say – that the honourable Member would do better to address the question to the Commission, which does have the necessary means to provide a reliable and up-to-date response.

2-205

**Kauppi (PPE-DE).** – (FI) Mr President, Mr Moscovici, very serious attacks have also taken place in Finland on one certain means of livelihood, namely fur farming. The principle of the freedom to pursue a trade is firmly upheld in the European Union. Now, however, one Member State, Great Britain, has just banned fur farming in its territory. Do you not think this might have harmful repercussions for the internal market in fur goods? I would ask you to reply now, as President-in-Office of the Council, and not so much as a representative of the French Government. The French Government has already expressed its own views on the matter in the Agricultural Council.

2-206

**Moscovici, Council.** – (FR) I am answering on behalf of the Council and not on behalf of the French Government. The situation you mention may share some of the features of the previous situation, but it is not the result of the same regulation, which is to do with fisheries issues. I consequently feel entitled to ask you, please, to submit your question in the usual manner, i.e. in writing, and the Council will be pleased to respond. I am not going to respond ad hoc to a question on such a difficult subject.

2-207

**President.** – In support of the President-in-Office of the Council, I must point out that the Rules of Procedure for this Question Time state that supplementary questions must be closely related.

2-208

**President.** – Question No 14 by Jonas Sjöstedt (H-0625/00):

Subject: Public Council meetings

One of the three goals of the French Presidency is to bring Europe closer to its citizens. The logical consequence of this aim should, therefore, be to make Council proceedings more open.

How many fully public Council meetings will be held during the French Presidency from 1 July to 31 December 2000?

2-209

**Moscovici, Council.** – (FR) The French Presidency attaches special importance to ensuring that Council proceedings are accessible to the European citizens and that its legislative decisions are made in a transparent manner.

The public debates are, moreover, an established practice. They lead to the European Union’s long-term evolution towards greater openness towards civil society.

Moreover, Rule 8 of the Council's Rules of Procedure provides for the organisation of public debates. One of the top priorities of the French Presidency was, therefore, to draw up a list of public debates, covering a wide range of subjects, which was adopted by the Permanent Representatives Committee (COREPER) on 5 July 2000. Two debates were held in July, a debate on the presentation of the presidency’s programme at the General Affairs Council on 10 July 2000, and a second debate on the presidency programme at the ECOFIN Council on 17 July.

I must specify that six further public debates are scheduled to take place before the end of the French Presidency: a debate on general interest services on 28 September 2000 at the Internal Market, Consumers and Tourism Council – I shall have

the honour of chairing this council meeting; a debate on maritime safety on 2 October 2000 at the Transport Council in Luxembourg; a debate on noise protection on 10 October 2000 as part of the Environment Council; and a debate on information, consultation of workers regarding employment on 17 October 2000, as part of the Employment and Social Policy Council, again in Luxembourg. On 9 November 2000, there will be a public debate on young people and Europe as part of the Education and Youth Council. Finally, on 20 November 2000, there will be a debate on food safety as part of the Agriculture Council.

I should like to draw the attention of the Members of the European Parliament to the fact that a substantial effort has already been devoted towards informing the public about the Council debates organised. Over 3000 detailed reports of the public debates have been delivered by post. Furthermore, any interested parties will easily be able to access the Internet networks which deal with this subject. In addition, television channels have the opportunity to broadcast these debates, in total or in part, via the 'Europe by Satellite' channel.

Finally, the French Presidency strives to make as much information as possible on all Council proceedings available to the public on its Internet website, as well as subject indexes for the main topics under discussion.

2-210

**Sjöstedt (GUE/NGL).** – (SI) I want to thank the Council for its detailed answer. In an ordinary democracy it is, of course, the rule that all decisions concerning new laws are made publicly in a parliament and that the debates too are held in public. The curious situation in the Council of Ministers is that the public only has access to certain debates. There is therefore an obvious risk of meetings being closed in cases where more controversial subjects are being dealt with.

I therefore wonder whether the French Presidency, given its high level of ambition, will hold any *entire* meetings in public, that is to say ministerial meetings which, from beginning to end, with all the debates and all the decision-making, take place in public, without the doors being closed for any part of them.

2-211

**Moscovici, Council.** – (FR) Quite the opposite. I think I have shown that the French Presidency is determined to open debates up to the public as much as possible, and I believe that our programme is perfectly sound.

I should just like to remind the honourable Member of the different roles of the various institutions of the European Union. It is true that the Council is co-legislator alongside the European Parliament, which does not fit into the pattern of the clear separation between executive and legislative power in the form that it may exist in a parliamentary democracy in the context of a State. Let us be aware, at the same time, however, that the European Council is not just a legislative body but also an executive body, a function which, this time, is shared with the Commission, and that it undertakes a whole range of debates which have nothing to do with the legislative process.

Consequently, in the same way that these things are managed within a government, for that is what we are talking about here, the intergovernmental aspect, debates often take place *in camera*. I am fortunate enough to be a member of the cabinet in the government of my country. The French Council of Ministers in the Elysée Palace is not open to the press, nor is it filmed. I consider this to be reasonable, as it is a context in which decisions must be taken which are then passed on to the citizens quite openly.

So there you are. It is because of this concept of the separation of powers that debates are designated as either open or closed. I think that it is, quite frankly, to the Council's credit that they have opened up some of these debates, running counter to what I was saying earlier about the operation of a government. This is the situation we have, if we take the hybrid nature of the Council into due account.

2-212

**President.** – Thank you very much, Mr Moscovici, for showing such dedication to Parliament this afternoon.

Since the time allotted to Questions to the Council has elapsed, Question Nos 15 to 40 will be replied to in writing<sup>7</sup>.

That concludes Question to the Council.

(The sitting was suspended at 7.15 p.m. and resumed at 9.00 p.m.).

2-221

**IN THE CHAIR: MR ONESTA**  
*Vice-President*

2-222

**Economic and social development of Turkey**

<sup>7</sup> See Annex "Question Time".

2-223

**President.** – The next item is the recommendation for second reading by Mr Morillon (A5-0206/2000) on behalf of the Committee on Foreign Affairs, Human Rights, Common Security and Defence Policy, on the common position adopted by the Council with a view to the adoption of a European Parliament and Council regulation regarding the implementation of the measures to promote economic and social development in Turkey [7492/1/2000 REV – C5-0325/2000 – 1998/0300(COD)].

2-224

**Morillon (PPE-DE), rapporteur.** – (FR) Mr President, the Council common position whose aim you have just stated has been referred back to Parliament for a second reading, not because of its content, but because of its form. This could seem ridiculous, but it is not at all.

With regard to content, Parliament has agreed to commit EUR 135 million over the next five years to measures aiming to compensate Turkey for the sacrifices it has agreed to make in order to enter into a customs union with the European Union, and on this point there is no divergence with the Council.

With regard to form, we wanted to specify a number of areas in which the corresponding measures should be agreed as a priority, and the Council did not want to accept three of our proposals regarding the wording of a precautionary principle on the development of nuclear energy, in particular in earthquake zones. The protection and recognition of the cultural identity of minorities and support for measures seeking to abolish capital punishment and, finally, perhaps most importantly, the development of any form of cooperation seeking to resolve the Kurdish problem.

I say that these matters of form are not trivial in a debate that precedes the one which is due to take place on accession in the Committee on Foreign Affairs, Human Rights, Common Security and Defence Policy in October, and following which, in November, I shall have to present the report on the state of progress of the work and any changes in attitudes within the European Union and Turkey.

Since the way to accession was reopened in Helsinki, nobody has been able to say where this newly-cleared path will lead, nor how long it will take to reach the end. I think I can say that there is a broad consensus for granting Turkey a privileged position for geographical, historical, economic and political reasons, but I would also say that this privileged position can and must be envisaged within the European Union itself just as much as in close cooperation with the Union. I say that this choice belongs, by democratic right, to the citizens of the European Union whom we represent here, and to the Turkish citizens themselves. I understand that this was probably your opinion, Commissioner Verheugen, and I think I can guarantee you the support of a large majority of my colleagues in this area.

The decision on Turkey's accession is too important for the future of the European Union and Turkey for it to be made in veiled silence, or even in secrecy, behind closed doors. Long debates will be necessary, both here and in national parliaments, which is why everyone agrees that the road will be long and hard. As rapporteur on enlargement, I was convinced of this, not only by the richness and passion of the debates that have already taken place in Parliament, but also by observing the reactions in Turkey itself, both in government circles and in civil society.

I shall come back to these contrasting reactions in detail when I present my report. Today, I shall simply come to the main conclusion. The people of Turkey consider that entry into the European Union will require not only a painless revision of their legal arsenal and the partial loss of their sovereignty, to which they remain attached, but also a radical change in their habits and mentality, for which they do not seem prepared. This is why Parliament has proposed the creation of a Euro-Turkish forum, bringing together qualified representatives of the Turkish community and those Members of the European Parliament that have been given the task, for in-depth discussions. I shall repeat this proposal in my report and I think I can say that the Turkish Government is not hostile to this, but quite the opposite, it would seem.

Mr President, ladies and gentlemen, at the beginning of this long road, aware of the realities, I think the time has come to leave hypocrisy behind and not to continue to ignore the most important obstacles, including the Kurdish problem. It would not occur to the French today to deny that a Corsican problem exists, even if the French citizens and their government are divided on the solutions. There is a Kurdish problem in Turkey. The Council must not forbid the European Parliament to propose its contribution to the solution. If the text of this regulation is referred back for a second reading, it is not purely for a matter of form, but because Parliament refuses to accept this kind of political sleight of hand.

2-225

**Zacharakis (PPE-DE).** – (EL) Mr President, I wholeheartedly concur with Mr Morillon's suggestion that we abandon the hypocrisy with which we sometimes deal with certain real problems for reasons of political or other expediency. There can, in my opinion, be no doubt that the issues covered in the three amendments rejected by the Council are real issues and that the Council position, or the sub-text at least, indicates a hypocritical disposition to sweep them to one side or underestimate their importance.

And yet, these three amendments, which reflect the firm views of the European Parliament, are all of fundamental importance and the rapporteur is right to insist that they be adopted: they contain a safeguard against the Turkish authorities' constructing nuclear power stations in earthquake zones, an express reference to the death penalty and a clear indication of Turkey's obligation to recognise and protect the cultural identity of minorities, within the wider context of its obligation to respect the rule of law and human rights, and they highlight the undisputed Kurdish problem and the need to resolve it – but not, of course, by dropping Turkish bombs on civilians, as in the most recent bombings in the Kendakor region on 18 August.

I should like to hope that Parliament's insistence on certain points being adopted will also help the Turkish side to understand, even if – as Mr Morillon rightly comments – it appears to be somewhat unwilling to understand, that the road towards Europe is not a one-way street of determination and patient understanding on the part of the European Union in the face of Turkey's so-called special circumstances; it requires the same measure of determination on the part of the Turkish authorities and Turkish society to adjust to the rules of law and ethics which govern the European Union and which apply indiscriminately to all candidate countries; rules which, unfortunately, continue to be violated by Turkey, not only when it comes to the Kurdish problem and its democratic shortcomings, but also in numerous other cases, such as the Cyprus question and Greek-Turkish relations.

A real sea change in Turkey's behaviour and attitude would go some way towards encouraging all those who, in a spirit of perhaps excessive optimism, opted to speed up Turkey's advance towards Europe and would help to shorten the long and difficult road – to quote Mr Morillon once again – of Turkey's admission to the European family.

2-226

**Swoboda (PSE).** – (DE) Mr President, Commissioner, I should like first of all to thank Mr Morillon very sincerely for the good work he has done and for his persistence in pushing through the demands and the most important amendments. I am able to support him on behalf of my group, and I believe it must be possible to reach an agreement with the Council. We are keen to use this instrument to promote economic and social development in Turkey. Naturally, we hope that, parallel to this – and perhaps even as a result of it – political development in Turkey towards democracy and respect for human rights, in particular respect for its own Kurdish population, will also be strengthened, and the death penalty abolished.

However – and I have to say this again and again in this Chamber, and I also say it in Turkey – we are very dissatisfied with the pace of political development. We could of course say that it is not our problem, and the fact that it is not prepared to make progress in this area more obvious and is not creating the political institutions for doing so is indeed Turkey's own biggest problem.

Not so long ago, Turkey elected a new State President – a judge, and a highly respected one at that, and in fact with the support of the government. And what does the government do as one of its first acts? Over the summer, it sends its new State President a kind of emergency decree with a view to restricting some of the rights of people in government service. Then it wonders why, as a former high court judge, the President rejects the decrees he has been sent and says that the matter in question is one which Parliament must deal with, as is in fact fully to be expected in a democracy.

Now, I have as little sympathy for Islamic militants as many others in this House, especially when they adopt the fundamentalist approach much in evidence in these regions and also manifested today in the debate between the Presidents of the Israeli and Palestinian Parliaments. The issue in question is one which has to be settled on a legal basis. It is just not on, using an emergency decree suddenly to remove all Islamic fundamentalists from office, as the government wants to do. Is there really a problem here? Then it is one for Parliament to deal with.

The Kurdish problem has already been mentioned. In that area too, scarcely any progress has been made. Again and again, we see first positive, then negative signs. Those who know that this is a crucial problem lack the courage to do anything about it. You mentioned the Corsican problem. I have to say that, in France too, the necessary courage is called for to tackle the problem after so many years. I should like to see just a little of this courage in Turkey with a view to finding a real solution to the Kurdish problem too. Of course, there are also other problems involving minorities.

The death penalty was mentioned. How many times have we heard the conviction voiced that it must be abolished, and how long will it be before the relevant steps are taken? The fact that Turkey is not taking these steps is something which cannot but disappoint those in this House – and I count myself among them – who would dearly like to see Turkey become a member of the European Union. I nonetheless believe that, if we persist, we shall achieve what we have pledged. Our pledges can, and will be, fulfilled, and precisely on the issue of promoting economic and social development. We are now waiting with bated breath to see whether Turkey will push ahead with political development on its own initiative.

2-227

**Haarder (ELDR).** – (DA) Mr President, our relations with Turkey should promote democracy, stability and consistency. The path to those goals is partly by way of social and economic development, and the way to social and economic development is partly by means of foreign investment. The Union's finance package will be an incentive to further investment in Turkey and, in the process, will also promote and consolidate democracy and human rights. We have seen

this strategy succeed in former dictatorships in Southern Europe, we shall see it work in Eastern and Central Europe, and it ought also to work in Turkey. Parliament should support this strategy, and we should, at the same time, insist that, before there can be any question at all about membership negotiations, the Copenhagen criteria should be met as these relate to democracy and human rights. Finally, I would emphasise the need to rebuild the thousands of Kurdish villages razed to the ground. This ought to be an express priority in our policy on Turkey, and we must insist that the Turkish Government too make it a high priority. In the same way, we must insist that the rights of the Kurdish minority are respected, just as the rights of minorities are respected in the countries of the Union and in the other candidate States.

2-228

**Ceyhun (Verts/ALE).** – (DE) Mr President, on behalf of my group, I should like to thank the rapporteur for his recommendation for second reading. He is very familiar with the situation in Turkey. He is aware of the problems of this country and of the people who live there. It is no secret that Turkey cannot be democratic in our sense of the word until such time as the economic and social problems there have been solved. It is also widely appreciated that Turkey will not be able to get on top of these problems alone and without our aid.

The demands contained in the rapporteur's amendments – he talks of the protection of minorities, rightly demands the abolition of the death penalty and calls for a solution to the Kurdish problem – are in no way conditions designed to stand in the way of aid. Instead, they are valuable proposals for the necessary democratic reforms in Turkey. At the very end of the day, Turkey will benefit from these reforms being put into practice. To that extent, we support the rapporteur's recommendation and thank him again for the work he has done.

2-229

**Korakas (GUE/NGL).** – (EL) Mr President, just nine months – or perhaps I should say already nine months – have passed since the Helsinki resolution granting Turkey candidate status. At the time, we predicted that this resolution would not help, as many maintained, to bring about democratisation and improved living conditions for the Turkish people and that it would only encourage the regime to exercise ever greater oppression. Nine months later, we are sorry to say that we were right because, to tell the truth, we would have preferred to have been proven wrong.

Now the Council has proposed releasing EUR 135 million for the economic and social development of Turkey. We fear that a substantial proportion of this sum will be used, despite any controls carried out, to strengthen the machinery of oppression.

Allow me to give you some facts and figures. As we all know, despite promises made from time to time, the constitution is still seriously undemocratic, the death penalty remains, Turkish jails currently house over 15,000 political prisoners in inhumane conditions, which are now being modernised with the introduction of solitary confinement, provoking outrage in Turkey, including in the Law Society of Istanbul, which has issued a special paper condemning these measures. There were arrests recently during events for world peace day on 1 September, Cyprus continues to be occupied and, as we are preparing to release funds, Turkish Prime Minister Ecevit has said that the Cyprus question was resolved in 1974, i.e. with the barbaric invasion and continuing occupation, demonstrating his disdain for UN resolutions. And, I would add, Mr Gem says the same about Greek-Turkish relations. Some people would do well not to boast and brag because these Greek-Turkish relations constantly result in the Greek Government's backing down and that in itself is a source of further tension.

So do you want to use this money as bait so that you can penetrate the Turkish economy even further, so that you can plunder the Turkish people's wealth even more? We do not intend to say give it or withhold it, we simply want to point out the conditions under which and the reason why this money is being given.

2-230

**Souladakis (PSE).** – (EL) Mr President, I fully support Mr Morillon's excellent work, as presented by him and supplemented by Mr Swoboda. I do not therefore intend to repeat arguments which I accept overall. However, I should like to make a few comments.

The strange nature of relations between the European Union and Turkey, which we have experienced for many years, from the beginning and throughout, is due to the political problem which we call Turkey. Thus, 9-10 months ago, Helsinki set a procedure in motion, essentially with an eye to resolving the problem which we call Turkey. In this sense, and because Commissioner Verheugen, the Commissioner responsible for enlargement, is here with us, and given that there is a whole atmosphere surrounding the text which will shape the partnership between the European Union and Turkey, a text which we shall receive at a later date, I am certain that he will advocate incorporating everything included in the Helsinki resolutions on human rights, on Cyprus, on the Aegean and on crises in the text of the Treaty rather than in the preamble.

Take a look at Turkey. It is a law unto itself. It radiates crisis on every side. Those of us who live in the region are sick and tired of crises. It is because of its political system that Turkey radiates these crises. We recently heard statements by Turkish-Cypriots in Cyprus, who have at last come forward and condemned Turkey as an occupying force. Only yesterday on the BBC I heard the head of a party of Turkish-Cypriots – Turkish-Cypriots, not settlers – half of whom have remained

in Cyprus, appealing to the Turks to let them join the European Union. Turkey wanted to join and he felt that it should let them join earlier.

In this sense, given that these relations gamble with the political face of Europe and with Europe's prospects and principles, I am certain that Commissioner Verheugen will want to assure us that the Commission, as the guardian of these principles, intends to base the integration process for Turkey firmly on these principles. And I think that the main issue is precisely this process and this road. Because I do not think, Mr Verheugen, that we can all agree to vote for parliaments, to vote for governments, on the one hand, and yet still have military rule dictating political terms on behalf of us all on the other. From this viewpoint, the Morillon proposal is an encouraging prospect. We, as Greeks, want Turkey in the European Union, we want a democratic Turkey, because a democratic Turkey will be the beginning of the end of crises in the region as a whole, crises which we have lived with for many, many years and from which none of us has profited.

2-231

**Verheugen, Commission.** – (DE) Mr President, first of all, I should like to thank the rapporteur, Mr Morillon, most sincerely for his most thorough report. I am glad that we have been able to achieve far-reaching agreement. I am also pleased that Parliament has responded very quickly to the common position unanimously adopted in the Council. Above all, I am glad that Parliament is able to accept far and away the greater part of this position, as proposed by the Commission.

The report now proposes adding three points to the draft regulation. I am able to tell you that the Commission shares Parliament's view on these points. The Commission will therefore examine the relevant amendments proposed by the European Parliament, inform the Council as soon as possible of its position and ask it to conclude the legislative procedure.

A special importance attaches to this draft regulation for it constitutes the last of the three pillars of financial aid for Turkey, the others being the measures in favour of Turkey in the framework of the MEDA programme and the regulation issued by the Council in April. All these financial resources are designed to support implementation of the pre-accession strategy. The purpose of the strategy is to equip Turkey for entering into negotiations. That will only come about when basic political, economic and social reforms have been implemented.

Improvements in relations between the Union and Turkey following the European Council, meeting in Helsinki, have enabled us to speak openly and frankly with each other on all issues. The strengthened political dialogue at all levels characteristic of the climate following Helsinki has made a decisive contribution to this state of affairs. I also have to say that open and frank discussions which sometimes address painful themes and touch upon sensitive issues are indispensable if we want to travel all the way down the path which lies before us.

I should like to take the opportunity to re-emphasise that we await a firm commitment on the part of Turkey to continuing with the process of reform that has been begun. A few weeks ago, Turkey signed both UN conventions on civil and political rights and on economic and social rights. I believe that this is of a piece with the decision we made last year and may be regarded as a successful outcome. I welcome Turkey's signature of these documents as an important step in the right direction. However, I should also like to emphasise that it is now a question of both conventions quickly being ratified by the Turkish Parliament and of the commitments contained in these also being put into practice.

On my last visit to Turkey in July, I was informed in detail of an inter-ministerial commission's report, then before the government, on the reforms needed if the Copenhagen criteria are to be fulfilled. The report contains a host of proposed reforms for improving the human rights situation. However, it is now a question of the Turkish Government's putting the proposed reforms into effect within the framework of a consistent legislative programme. I also expressly insisted upon this in the course of the discussions in Turkey.

As you know, the European Council, meeting in Helsinki, has confirmed that it is essential for Turkey firstly to comply with the political accession criteria if its relations with the European Union are to become any closer. This will also be the theme in preparing the Accession Partnership which the Commission is to submit in the autumn of this year on the instructions of the Council.

2-232

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

The vote will take place tomorrow at 12 noon.

2-233

### Community audiovisual policy in the digital age

2-234

**President.** – The next item is the report (A5-0209/2000) by Mr Veltroni, on behalf of the Committee on Culture, Youth, Education, the Media and Sport, on the Communication from the Commission to the Council, the European Parliament, the Economic and Social Committee and the Committee of the Regions – Principles and guidelines for the Community's audiovisual policy in the digital age [COM(1999)657 – C5-0144/2000 – 2000/2087(COS)]

2-235

**Veltroni (PSE), rapporteur.** – *(IT)* Mr President, ladies and gentlemen, the document on the Community's audiovisual policy in the digital age, presented by the Commission, is important because this technological innovation has, to a certain extent, a direct bearing on our cultural future and therefore on sensitive issues such as pluralism and the quality of democracy in our continent.

The digital age and convergence of media will change everything: our way of gaining knowledge, communicating, working, producing and understanding. There are risks – as there always are when innovation bursts forth – but the transition to digital technology will bring with it huge opportunities for pluralism and massive production possibilities for the system.

It is no coincidence that the British Prime Minister, Mr Tony Blair, proposed a few days ago to put digital television frequencies up for auction in order to speed up the process, revolutionising the prospects of the conventional management of the electromagnetic spectrum. And it is also no coincidence that Mr Blair also proposed free distribution of set top boxes, perceiving that this would benefit both the economy and the information and cultural pluralism of his country.

Changes in technology bring changing perspectives and therefore changes in legal approaches as well. The Community therefore has to keep up with progress and endeavour to ensure that digital technology fulfils its potential as an opportunity for culture, pluralism, cultural and linguistic diversity and for the European economy and technical innovation and research in Europe.

We consider that the instruments which have already been defined in the Commission's text will make it possible to achieve these goals. However, the debate generated in Parliament, which has looked at different points of view and has pulled out all the stops, as did the Committee on Culture, Youth, Education, the Media and Sport, in order to find a common point of agreement with the result that the report was adopted unanimously, proposes a limited number of nevertheless important supplements.

Firstly: the need for a rapid revision of the legal instruments governing the sector, in particular the “Television without Frontiers” Directive which has been in need of revision for a long time.

Secondly: in order to avert the risk of dependency of our cultural industry in the event of expansion, of growth of the number of channels, we would like to introduce the possibility of production investment in the audiovisual sector. It is vital for the media to be financed but I feel that, following the example of certain countries, we should also provide for the television broadcasting companies themselves to set aside funds, dedicating a proportion of their revenue to the production of European programmes. I consider that this is a useful, important action for it both supports the industry and acts as an incentive for it.

Thirdly, monitoring the concentration of media ownership, in the future maybe on the basis of specific regulations at European level safeguarding pluralism, taking up once again the idea of a media directive and a body which would monitor at European level the application of the rules in this sensitive sector; in addition, a policy which, in the age of convergence, would also safeguard a universal service with regard to access to content, which is taken to mean non-discrimination and affordable access to services. As the importance of the role of the public broadcasting service in the digital system is recognised, the service will, of course, have to be reviewed and revamped in the light of changes in technology, but it will also have to perform the function of guaranteeing the quality of services to a large public, which will continue for a long time to use its common or garden television sets and wireless reception on a daily basis; therefore, strategic recognition of the role of land-based digital television, whose growth can only be considered to be an opportunity here as well.

Finally, the report proposes a supplement to ensure that particular attention is paid to safeguarding cultural diversity, international negotiations and the need to consolidate the European audiovisual industry to make it competitive on the global market.

This is therefore the spirit of the report and its attempt to operate within the bounds proposed by the Commission's report.

The TDI Group has tabled amendments characterised by a different vision, a different legitimate cultural and political inspiration. My opinion is that, if these amendments were to be adopted, the report would then be devoid of those characteristics which prompted agreement in the Committee, the very characteristics which are our basis for considering that the report could be a positive supplement to the Commission's report.

2-236

**Zappalà (PPE-DE)**, *draftsman of the Opinion of the Committee on Legal Affairs and the Internal Market.* – (IT) Mr President, I am speaking on behalf of Mr Tajani, as a member of the same delegation and the same committee, the Committee on Legal Affairs and the Internal Market.

Mr President, ladies and gentlemen, I congratulate the Commission on the complicated content of its initiative, but we must not let go of the importance of regulating the audiovisual policy in the age of high technology in which we live and which will become more and more important for our lives in the near future.

Due to the complexity of the material and the short time available to me, I will restrict myself to a few recapitulatory statements which I consider essential and which I hope the Commission will take into due consideration.

The free movement of information and freedom of expression serve now to safeguard rights and freedoms and will always do so. The citizens' confidence in the audiovisual service must be won through compliance with the principles of the protection of human dignity and of minors.

The area in question, which is constantly developing, is in need of detailed rules, but they must not be too rigid or they will rapidly become obsolete. Technology and content cannot be governed by the same legislation: technology must be neutral and content must be regulated.

The system of funding must comply with the principles of proportionality and transparency and must not influence the market or competition. Where a commercial activity is associated with a public service, the keeping of separate accounts will make the compensation for the service rendered transparent, making it possible to prevent any disguised State aid and to allow private firms to provide the public service as well.

No national restriction must be placed on transposition, in order to achieve genuine European harmonisation, both now and in the event of future growth. Including self-regulation codes in the legislative framework will ensure transparency, responsibility and the equal status of public and commercial operators. Clearly, in the context of new technologies, a situation where State subsidies to public service broadcasters are used for commercial ends must be avoided, as this would distort the principle of competitiveness with private companies instead of ensuring compliance with specific content obligations.

Lastly, we must guarantee multiplicity and pluralism of bids and provide all operators with the possibility of playing an innovative and leading role, thus liberalising access to public financing.

2-237

**Hieronymi (PPE-DE)**, – (DE) Mr President, first of all, I should like to thank Mr Veltroni. As rapporteur, he has done some very good work, including work of a very cooperative nature, and I should like to thank him very much for that. However, thanks are similarly due to the Commission which has provided an outstanding basis for the discussions between the Committee and Parliament.

The audiovisual sector basically faces the task of having to develop in two main fields. Firstly, it is a means of generating future jobs. Secondly, however, it is also of great significance for securing cultural diversity and freedom of speech in Europe. It is therefore important always to keep both perspectives in view. I should like briefly to illustrate this by way of three examples.

Firstly, it is necessary to regulate content and methods of transmission differently and independently of each other. We need a form of technology which can respond very quickly and very flexibly to the technological revolution. I would just mention the buzz word 'Internet' at this point. However, we not only wish to guarantee people universal access to all networks but also need to ensure that young people are protected and human dignity assured by means of legal regulations which, independently of the method of transmission, safeguard these values that are indispensable to us all.

Secondly, consider the level at which decisions are made. Where the issue of technology is concerned, we need increasing cooperation among the Member States at European level. When it comes to issues of content, however, we want to know that, in the first place, the Member States are willing and able to safeguard cultural pluralism and diversity of opinion.

Thirdly, television in Europe. We have both commercial and public service broadcasting which both require clear statutory frameworks in order to be able to develop in competition. We therefore say a clear yes to the protocol of the Treaty of Amsterdam on public service broadcasting and to the Member States' responsibility for commissioning and for securing finance. We are also, however, saying just as clear a yes to the task of developing and promoting commercial television companies in Europe so that they can compete effectively worldwide. That is the crucial precondition for safeguarding European cultural content, with the conditions of future technology in mind.

2-238

**O'Toole (PSE).** – Thank you very much to Mr Veltroni for giving us such a valuable report. It is a welcome clarification on where Parliament stands on digital and audiovisual sector issues for the forthcoming revision of TV without frontiers. However, I want to confine my remarks this evening to public service broadcasting in the digital age because there are some very important public access issues that we need to address when defining the principles from the crossover in our current media to the development of digital broadcasting.

Defining the values and principles underlying public broadcasting gives us some difficulties anyway, as Member States, corporations, and broadcasters all have very different ideas of what public broadcasting constitutes. However, this should not prevent us from defining it in the digital age, because these principles are very important to us all, and, as infrastructure has developed, so content is going to develop as well. We are all being told that we are entering a knowledge-based society, and if that is the case, then knowledge in a sense becomes power that defines the powerless and the powerful, the information poor and the information rich.

Overcoming that divide, to my mind, should be one of the key points that we emphasise in this report. There are a number of reasons why this is important to us from the perspective of European content. First of all, if we are in a knowledge-based society, we need growth in knowledge-based and creative skills. Secondly, we are a democratic society, and digital policy in the audiovisual sector can connect our local citizens to our citizens at the centres of power. In terms of cultural richness and diversity, it is important both that we should have individual centres of cultural excellence and that we be bound as a European continent. And, finally, we have to ensure that the switchover from analogue to digital is attractive to all of our citizens: that is the end which we should work to achieve.

2-239

**Sanders-Ten Holte (ELDR).** – *(NL)* Mr President, Commissioner, the airwaves are buzzing. You cannot open a newspaper or put the radio or television on without being confronted by new developments in the IT or digitalisation sectors. Things are happening fast, in fact they are happening at the speed of light, which is why my group is delighted with the communication from the Commission and with Mr Veltroni's exhaustive report, which looks into every aspect of these new developments.

As the rapporteur rightly points out, the AV sector is an extremely important sector in terms of employment, but also in terms of freedom of expression, democracy and cultural diversity in Europe. But as far as the Liberal Group is concerned, that does not mean that Europe should set about regulating absolutely everything. This would not be possible, and nor would it be desirable. It is a self-aware sector and is perfectly capable of standing on its own two feet. As the Liberals see it, for one thing this means that there is no need for yet another additional subsidy over and above Media Plus for the European film industry.

Complementary measures and cooperation with the business community, and fiscal measures, these are the key words of a more effective policy intended to increase the financial resources and to improve the marketing and distribution. That is why we have requested split voting for Recital N. Nor are we in favour of quotas. The TV operators must decide for themselves, on the basis of quality, what programmes they want to show. It is not Europe's business to regulate this, so no artificial protection. The industry in Europe is more than capable of making interesting and quality productions that will attract viewers. As I have already said, it is only the marketing and distribution that need to be improved.

On a final note: we attach a great deal of importance to the freedom of the user and therefore the same applies to parents. They have the right and the responsibility to decide for themselves what is suitable for their children. So we do not need complex censorship and filtering systems in programmes. It is often very doubtful as to where the boundary lies. And we certainly do not want a legal framework, where the powers that be set the rules. My group will vote accordingly.

2-240

**Vander Taelen (Verts/ALE).** – *(NL)* Mr President, first and foremost, I must apologise on behalf of my colleague Mrs Echerer, who felt unwell and has gone to see the doctor. So if I go over my allotted time slightly, I would like to pick up some of her speaking time. Needless to say, I can only congratulate Mr Veltroni on his first-rate report, which, as someone has just said, has come at a good time. In the past, as well as the present, Europe has taken a fairly progressive stance on the telecommunications front, when it comes to a European single market, and we are none the worse for that. I believe it is high time for us to take a look at the content side of things, because, unfortunately, Europe is still lagging behind a little in this respect. It is a marvellous idea to create a whole network that responds to the requirements of convergence, and which enables the public to receive information via a GSM, a computer or a television, but we must also be aware of what sort of information it is and, above all – and I am also thinking about what may be of positive value to our audiovisual industry – we must beware of being inundated by American products alone. After all, the fact is that our European cinema, as I have said on other occasions, is light years behind, and we cannot allow this situation to continue indefinitely, particularly in the light of the history of European cinema.

I am not calling for quotas. I am calling for a European investment fund to be set up, which will enable the creative producers we have in Europe to at long last enter into real competition with America, in a manner which fully meets with the requirements of the free market. No, this is not regulation, it would simply be a means of enabling creative producers

to get down to work in Europe, and a way of avoiding seeing all the talent, intelligence and capital – for this is the new trend – disappearing over to Hollywood. I would therefore like to ask the Commissioner whether she does not think that the time has come to work on a new directive for the cinema. Is it not time – since this is one of the distinguishing features of the Committee on Culture, Youth, Education, the Media and Sport, which I belong to, – for us all to sit down together one day and consider how we are going to rescue the European film industry? And I repeat, this is not a petition for rules and regulations, this is taking a long, hard look at how films are made, for there is no mystery about it. Films cannot be made without a major injection of capital, and that is where we fall down in Europe. I believe this presents a unique opportunity for the European Investment Bank.

2-241

**Fraisse (GUE/NGL).** – (FR) Mr President, the Commission has set itself the short-term task of defining what a European audiovisual work is. I am very interested by this definition, which naturally complements today's discussion.

The effect of the “Television without Frontiers” Directive has been that a large percentage of national works are still broadcast in each country, without managing to have these works circulated between countries. The aim of defining European audiovisual works must therefore be to achieve the circulation of these works. In this context, we agree that the cultural diversity that is advocated today is not a simple addition of the respective identities of each Member State, but the exchange and circulation of these identities. However, the circulation of works, like the origin of their funding, will probably be insufficient to define the European audiovisual work.

The issue of the work's content concerns us all. What content can define a work, if it is not content founded on a pluralist approach to production? Partnerships are necessary for current and future audiovisual creation, but hegemonic strategies and monopolies are counter to creation itself. There is nothing more dangerous than the current concentrations of operators who have both the broadcasting capacity as well as archives of material.

At a time of digital revolution and technological change, Mr Veltroni's excellent report clearly shows the economic and cultural need for a European audiovisual policy.

I would like to end by emphasising the essential points of this report. What could protect diversity and pluralism better than a “universal service”? What would ensure free access to information, entertainment and knowledge? Public television is not a monopoly and should not be one. One of the goals of the public service, however, is the general interest, and for this reason it must be valued. Public television channels are developing autonomously in each Member State, pursuant to Protocol 32 of the Treaty of Amsterdam, but they are agreed on taking on similar tasks, such as information, innovation, room for exchange and integration etc.

All that remains is to make their funding transparent, not so much to conform to rules on competition as to enable public service to really diversify its activities and enrich its services. To put it plainly, not to die off in the digital age, but to perpetuate the accomplishment of its goals which should, it seems to me, constitute guidelines for the Community audiovisual policy.

2-242

**Angelilli (UEN).** – (IT) Mr President, I would like to start by complimenting the rapporteur on managing to combine so many proposals in one report. However, I would like to touch on a few points.

In the first place, I agree that there is a need for policy-makers and the law to be able, or rather to be as good as under obligation, to adapt to the speed of technological progress. In the case of the audiovisual sector, clear and, most importantly, timely legal instruments will mean that the institutions are able to regulate these changes: to provide better protection for the public and for users, establish the necessary restrictions to protect minors, lay down new rules to protect copyright and set regulations in place before certain developments occur, such as the fact that electronic commerce will soon be taking place via the medium of television.

Moreover, we must not be intimidated but take pride in the entire audiovisual sector in the digital age as a great vehicle of freedom, information and movement of ideas.

We have a vast European heritage of culture and communications which must be fully exploited, and for this more funding will certainly be necessary, but this purpose could also be served by opportunities for discussion, such as the Forum proposed by the rapporteur: this would be an opportunity for discussion aimed at the creation of a future audiovisual policy which would take advantage of the infinite number of openings provided by the newest technology and use them to further progress towards the goal of producing increasingly high quality products.

Therefore, our objective is to achieve an interactive audiovisual policy where there is more participation in order to give expression to the countless individual characteristics and differences in which our great European identity is rich.

2-243

**Della Vedova (TDI).** – *(IT)* Mr President, Commissioner, Mr Veltroni, on behalf of the Italian radicals, I cannot support the positive view you have expressed of the report under discussion on the Communication from the Commission on the guidelines for the Community's audiovisual policy in the digital age. I cannot support your view because the communication is a reproduction of the old European TV and cinema cliché: direct public intervention through State agencies, welfarism and disregard for the nature of the market, a cliché which is characterising the audiovisual sector more and more. All this has been dredged up and 'modernised' to suit the new digital age of multimedia convergence and the extraordinary spread of the Internet.

The impression therefore persists that European audiovisual companies are incapable of growing or standing on their own two feet and that users are incapable of discerning from among the vast amount of multimedia products on offer which products are better and most suited to their needs, as if past welfarism and paternalism had not been responsible for the difficult situation in which the sector finds itself today. Everybody – companies and users alike – would benefit from the freedom of choice provided by a bold opening of the market and State withdrawal.

Moving on to some specific points of the report under consideration. The regulation refers to the separation of infrastructures and content, serving up for content the old regulations once again. But what does this mean? Perhaps Mr Veltroni could enlighten us. It may be, for example, that the intention is to extend the law governing the press, including related contracts and the need to be registered in the register of journalists and to be certified, to on-line publications. In my view, this would be a serious error. Or to extend the current stifling TV regulations to all the other programmes which are broadcast via the Web. This would be a serious mistake, an illusion, for which the European companies and citizens would have to pay the price all over again. The boom of the Internet was made possible by the State's inability to curb it with a mass of bans and regulations. This was the right way for things to happen and it is right that they should remain that way.

With regard to intellectual property and copyright – another point covered by the report – I feel that it is pointless and damaging to the positive development of the Internet to strengthen the directive on copyright, as it is proposed to do. Remember the Napster and the New Tell cases. We consider that a critical revision of copyright ownership rights needs to be carried out in such a way as to facilitate and increase the transparency of the transmission of knowledge and products, and, on this point, the companies and the large corporations know that they will have to come to an agreement with the Web.

With regard to cinema, additional funding is requested for European cinema. As Mr Veltroni is aware, there is a 50-year-old battle going on in Italy between the liberals, Sturzo and Ernesto Rossi, and those who want to continue with cinema subsidies. We are of the opinion that the freedom of choice of the citizens to determine the success or failure of a film is also the best and most efficient way of ensuring the growth of the cinematographic sector. We have tabled an amendment calling for a cost/benefit analysis of what has been done to date.

Lastly, on the subject of the privatisation of television, we call for a revision of the Amsterdam protocol which is referred to here as if it is set in stone. The Financial Times has raised the issue of the privatisation of the jewel of European public television, the BBC.

Public television networks must be privatised or increasingly high licence fees will be imposed for new investments. If we want to maintain a public service, the television broadcasting right must be auctioned off between all the operators: programmes will then be more efficient and there will be a saving for license payers. I call upon you to consider the amendments we have tabled, which would change the intention of the report, following a system of aid incentives which has not worked in the past and will not work in the future either.

2-244

**Ridruejo (PPE-DE).** – *(ES)* Mr President, I believe that the work carried out by the Commission and also by the rapporteur, Mr Veltroni, contains many important elements. It is clear that a great effort has been made to introduce new issues and to take new steps in European audiovisual policy. However, I believe that we still have a lot to do on certain points, both in the Commission and in Parliament. We are very much lagging behind in relation to the huge changes taking place in the audiovisual sector, particularly as a result of digitalisation. To fail to act would be like an ostrich burying its head in the sand. I am sure that that is not what we want.

We all know that digitalisation began about five years ago and therefore this work on audiovisual policy is timely to say the least. There are five points I would like to highlight because I believe that sooner or later they will have to be reviewed:

First is the definition of public service. This is important if we want to have a public service in Europe in an environment which is truly competitive – and this can be seen from the audience for public services – and also for the good of the private audiovisual service. There are still many issues to be resolved: one of them is the separation of the requirements established for each of these.

Secondly, it seems to me essential that there be a review of the "Television without Frontiers" Directive. In this respect we are behaving like the aforementioned ostrich.

Thirdly, we must define in some way – and I believe that this document does not deal with this adequately – what is to happen with interactive TV services, what is to happen with the Internet on television.

The fourth point refers to the transfer from analogue TV to digital TV and its consequences for users in terms of the use and acquisition of new terminals.

Lastly, there is the implication of the laws on competition and mergers. The audiovisual policy should tackle these points and also go into more depth in the field of competition.

2-245

**Iivari (PSE).** – (*FI*) Mr President, Mr Veltroni's excellent report received firm support in Parliament's Committee on Culture, Youth, Education, the Media and Sport, and the same seems to be happening here, too, in plenary. The move into the digital age is a massive revolution for the media. This technical development offers the consumer still greater opportunities for using audio-visual products, in terms of time, place, content and equipment. At the same time, it means a splintering of the media and more pressure on development and commercialism.

The audio-visual sector is of the utmost importance to competitiveness, employment, and culture, too, in Europe. The Commission's initiative in this is also very welcome, as is the clarification of roles in respect of the information society and the main areas of culture. Amid this technological revolution it is vital to bear in mind the social and cultural importance of media communications. It cannot be a matter of equipment or financial gain. The importance of the equality of information must not be underrated. For that reason, I wish to stress the importance of safeguarding public service broadcasting in the future as well. In that connection we must honour the Additional Protocol of the Treaty of Amsterdam, according to which Member States decide how to organise public service finances. We also have to make sure that people's rights to receive information and cultural services in their own language are protected.

As a certain European historian said, a person's native country in Europe in the future will be that person's native language. Television and film, as cross-border media, attract more interest than radio. However, the importance of radio, particularly in minority language areas, should not be underestimated. For radio to remain part of the digital age development it is important to establish a DAB standard for it.

2-246

**Thors (ELDR).** – (*SV*) Commissioner, ladies and gentlemen, we are talking about the "Television without Frontiers" Directive. At the same time, we know that the transition to digital TV involves a risk of its being precisely TV *with* frontiers that we end up with. It will not be possible to watch the BBC in the Irish Republic. It may no longer be possible to watch Swedish television as easily in Finland. It has in the past been possible to watch television across national borders. It is difficult to buy digital cards for existing pay TV.

I appeal to the Commissioner to bear in mind the urgent request made unanimously by the groups in Parliament in conjunction with the reading of the technical directive on digital TV and really to examine this issue which has a very great deal to do with the fact that the copyright organisations have not agreed upon sensible conditions for selling TV rights. I would therefore urge the Commissioner to bear this in mind.

At the same time, I want to support a good deal of what Mrs Iivari said about minority language areas. Those of us who are interested in defining public service on a national basis must be watchful. We must be careful that, for example, competitive aspects do not have the unfortunate effect of undermining our national right to define the kind of public service we want to provide. Not all languages are in fact equal in the EU in this respect.

2-247

**Alyssandrakis (GUE/NGL).** – (*EL*) Mr President, Commissioner, ever since they came into being, audiovisual means have been an important factor in ideological intervention. Controlling them is of strategic importance in the digital age in order to mould consciences and a *modus vivendi*, because whoever controls them decides what information they should carry. In the view of the Communist Party of Greece, they should be controlled by the public sector. Not because we are labouring under the illusion that governments in a capitalist system will allow full and fundamental information, but because then we can have maximum possible social control.

The Commission, however, has relegated the public sector to the role of poor relation and market legislation to the role of basic regulator. The purpose of this apparently anti-monopolistic policy is to create oligopolies, which will be equally uncondusive to objective information but which will guarantee huge profits and more secure ideological orientation, with the flow of information controlled by a few European monopolies, to the detriment of any notion of freedom and democracy.

As far as we are concerned, the problem is not whether information will be controlled by American or European monopolies. The real problem is that the people need to develop their resistance and enforce their right to fundamental information.

2-248

**Karas (PPE-DE).** – (DE) Mr President, Commissioner, ladies and gentlemen, digital technology is changing our lives, and this change is taking place whether we like it or not. We have to make use of it and create the relevant statutory framework. I should like to add to what the previous speakers have said by expanding briefly upon a few points. The Lisbon Seminar on Digital Television, held under the Portuguese Presidency of the Council, unfortunately came up with little apart from an incomplete overview of the subject. That is why I am calling for a *Digital Europe* initiative with clear plans for the harmonised introduction of digital television and the digitalisation of content. Merely setting deadlines according to a motto to the effect that the whole of Europe is to go digital by 2010 is not enough.

Secondly, the industry should be given a fair chance to regulate itself along the lines of the code of conduct for added value telecommunications services in Austria. Not everything needs to be over-regulated by the legislator.

Thirdly, audiovisual policy concerns infrastructure and content. We know that, where the latter is concerned, we have fallen far behind the United States, despite quota rules. Only those who provide exciting content for a large number of viewers are taken notice of. We must therefore do everything to support European content suppliers and to make their work easier instead of more difficult.

Fourthly, the approach according to which content and infrastructure are closely regulated should be maintained. In my own country, the blueprint for the media authority KOMMAUSTRIA presents an exemplary way of doing this in line with the eight draft EU directives we have on the information society. We need to keep pace and ought not to lose any more time.

2-249

**Ortuondo Larrea (Verts/ALE).** – (ES) Mr President, the document presented by the Commission in relation to its policy in the audiovisual sector in the digital era includes, amongst other things, two ideas which I consider to be fundamental.

Firstly, we must safeguard the future of the dual system of public and private television, and it is essential that European public operators can make full use of the possibilities offered by the new information technologies.

Secondly, cultural and linguistic diversity is a fundamental objective of Community policy in the audiovisual sector. To this end, I wish to propose that the Commission, in its action and aid, prioritise positive discrimination in favour of the audiovisual sectors of the regional and minority cultures and languages of the European Union. A good way of favouring diversity is to give particular support to the weaker elements. Similarly, I propose that Community legislation and the decisions of the Commission itself favour the idea that broadcasts of all mass events – ceremonies, shows, sport, etc. – should be considered to be of general interest and can therefore be followed in all the languages of the European Union, including regional languages. That is the only way we can make Europe into a true union of diversities.

2-250

**Junker (PSE).** – (DE) Mr President, ladies and gentlemen, a glance at German cable television, where some 30 channels are now already jostling for attention, is enough to show that multiplicity is not the same thing as diversity. In competition with commercial suppliers, there is easily a danger of succumbing to demands for mass appeal and neglecting less lucrative areas of interest. That is why it is so important for audiovisual strategy to be linked to protection of the pluralism and diversity of opinion which are now the crucial bases for democratic opinion-forming, as well as for public service media to be guaranteed an equal opportunity to develop in the media market of the future.

There must be non-discriminatory access to this future market for all citizens, and there must also be non-discriminatory access for suppliers of all types of content. Specifically, this means market transparency and preventing developments whereby economic power turns into the concentration of media ownership and finally into the abuse of political power. These key considerations define the most important premisses for the further development of statutory frameworks. Mr Veltroni's report makes important proposals in this area.

However, not everything can be regulated by law. I should therefore like to address a matter which has still not been mentioned in this House, namely the acquisition of media-related skills. You have to get to know your way around what the multimedia world has to offer in order to be able to separate the wheat from the chaff, select what is of value and hone your judgement. The transfer of media-related skills must become a component of the Community's audiovisual strategy. To that extent, the Commission's communication still does not go far enough.

2-251

**Gargani (PPE-DE).** – (IT) Mr President, as Chairman of the Committee on Culture, Youth, Education, the Media and Sport, I would also like to personally acknowledge the extremely valuable work carried out by Mr Veltroni. I am

pleasantly surprised that such a major, essential measure has been able to obtain the unanimous consensus of the Committee, for I honestly did not think that it would have been possible.

Digitalisation will enable citizens to access a substantial quantity of new, innovative content and this is why I can only fully support Mr Veltroni's consideration that all this has implications for democracy, the organisation of Europe and the States and the quality of the communications that we provide for our citizens.

This is why I consider that the period of transition from the analogue to the digital system must be our opportunity to entice the user to sample a series of new programmes on offer, not just a mere duplication of the programmes currently available on unencrypted line-aside channels. Mr O'Toole is right in saying that simulcasts would not make it possible to attract a group of substantial users and he therefore believes that a trial period for new audiovisual products on channels made available through digital transmission, possibly only over sections of territory, will enable operators and users to achieve the same objective.

The Commission is right to say that the system of funding adopted by the Member States must comply with the principle of proportionality and must not influence market conditions and competition in the Community in a way contrary to the interests of society.

In the audiovisual policy, the two fundamental criteria to be applied when drawing up provisions for funding are proportionality and transparency. Transparency implies that the Member States should define a clear public service mission, that financial transparency should be guaranteed and that, if public service operators carry on purely commercial activities, separate accounts should be kept. I consider that this separation has prompted the Commission to produce the best policy currently possible for the States and Europe, a policy worthy of the changing technologies and which will lead to the switchover of the entire system.

2-252

**Reding, Commission.** – (FR) Mr President, ladies and gentlemen, the Commission is pleased with the report drawn up by Mr Veltroni and the draftsman of the committee's opinion, and I would like to thank the chair of the competent committee and its members for the pleasing unanimity they have managed to create within their committee on this draft report.

As you know, the Council also supported the Commission's approach in the conclusions approved at its meeting of 16 May this year, which makes for pleasing unanimity. For once, the three institutions seem to be on the same wavelength and in perfect agreement, which makes me very happy.

In particular, the Commission welcomes Parliament's support on the regulatory principle described in the communication. As you are aware, the Commission is to carry out a series of studies on the audiovisual sector and an extensive consultation with all the interested parties before proposing any revisions of the "Television without Frontiers" Directive, if the analyses suggest a need for this. At this stage, before the research and consultations have been carried out, it would be extremely imprudent to speculate on any changes that might be decided by the experts and politicians.

The Commission takes note of Parliament's comments on this directive and will take due account of them in carrying out the examination planned for the end of 2002. Just one detail, Mr Veltroni; in the Commission's communication, it did not state that legislation on advertising needed to be revised in order to take account of the new digital technology. It only said that it would carry out a study of this technology in order to verify whether or not a revision was necessary. They will all decide together, however, whether or not a revision is necessary. The Commission also agrees with Parliament that the principle of a clear demarcation between editorial content and advertising should be maintained in all forms of media.

With regard to the comments on the draft report concerning the pluralism of the media, it should be noted here that digital technology and in particular the Internet presents unprecedented possibilities for creating and developing a pluralist society. For example, digital technology allows for a colossal increase in the number of channels, thereby reducing barriers to access for content producers. This – and another speaker has said this – would mean ensuring that access does not end at borders, be they hypothetical or real.

The Internet also, at least potentially, allows each citizen to become a content producer themselves and creates the opportunity for a world-wide forum in which anyone can take part, with the advantages and dangers that that implies. I think that one day we will have to discuss in depth what this advantage may also imply. All of this changes the issue of pluralism, however, and makes it more complex. The obstacles to pluralism in the digital world include poverty and a lack of education and training. This issue was also raised by some Members and is something that prevents the general public from fully participating in the digital age.

The issue of the digital divide has been raised. It is clear that we should all make a great effort to ensure that the gap between the information rich and the information poor, between those who participate and those who do not, is not too great. I also agree with Mrs Junker when she says that we need to think, but also to propose plans of action to learn to read

the media. This is something that is very dear to me, and also to Jacques Lang with whom I have already discussed the possibility of developing this approach. We will succeed, Mrs Junker, because we think that it is very important, not only to know how to read, write and add up, but also to know how to read images. That is something we do not teach our little darlings.

With regard to the operators of digital media, the application of competition law currently seems to constitute an effective means of ensuring pluralism. Nonetheless, other measures could, obviously, also be adopted, in the light of experience of the digital age and in response to Parliament's questions, the Commission will carry out consultations on these issues during its examination of the "Television without Frontiers" Directive.

I would also like to warmly welcome the quasi-unanimity on the MEDIA programme. The digital revolution will open up many new ways of exploiting audiovisual works: video on demand via the Internet, for example. The European industry must be able to make the most of these opportunities. Nonetheless, we know that the European industry is still fragmented and weak in comparison with its American competitor. Progress has already been made, however, in the past ten years. For example, in almost all the Member States now, the most successful television programmes are national productions and not American productions. A change has therefore already taken place.

At the same time, with regard to cinema, we can see a significant increase in the number of European successes. So we must not stop, ladies and gentlemen, and I know that I have your support in this, but I need money to be able to carry out the new MEDIA plus programme. This is the great danger that will affect the final decision on this project. I hope that in the interests of European cinema in all our Member States, we will obtain good results in this area at the forthcoming 'Culture' Councils.

I would also like to draw the attention of those who are not here now but who have expressed criticism, saying that MEDIA and MEDIA plus only work at European level in addition to national systems that invest in production. The MEDIA plus programme invests in promotion, distribution and digital training.

It is not, therefore, redundant, it is not something superfluous, but something that is absolutely necessary if we want our European films to circulate beyond the borders of their country of production.

With regard to certain proposals contained in Parliament's report on the cinema, the Commission has announced in its communication that it intends to draw up a communication dedicated specifically to the cinematographic sector, which will deal with questions such as the definition of European works, and although Mrs Fraisse is no longer here now, I would nonetheless like to say to her that this will not be easy and that if she wants to give us a hand, it would be very welcome. The Commission communication will also consider State aid to cinematographic production, an issue that concerns us all.

Furthermore, this communication could also assess the need for intervention in this field at Community level and the opportunity to develop financial engineering mechanisms in favour of cinematographic productions. One of today's speakers has already referred to this. You are well aware – I have said this to you several times – that discussions are underway with the European Investment Bank to create a capital risk fund in the autumn, if appropriate, with the intention of remedying the under-financing of our industry.

At this stage, the Commission takes note of Parliament's comments, but is not yet able to provide any further details. But it must be clearly understood that we fully recognise the importance of public financing for audiovisual production and the need to provide for specific treatment in this area. I would like to emphasise this last statement, as it is of primary importance for our whole political future.

Now, you all know that public service broadcasting is a very sensitive and highly complex issue, and the Commission has clearly explained its position many times, in particular in this communication. Ladies and gentlemen, I agree that public service broadcasting plays a fundamental cultural and social role in our Member States and must therefore be safeguarded and authorised to play its role. In light of technological developments and changes in the market, this role could change, but this subject must be debated in the Member States since, as the Amsterdam Protocol clearly specifies, it is up to the Member States to define the public service broadcasting mandate and decide on its financing system.

The Commission does not intervene in this area and the text on transparency is clear on this point. By virtue of the Treaty, nonetheless, the Commission has a duty to ensure that the financing system does not affect trading conditions and competition in the Community to the detriment of the common good. For the Commission to be able to do its job and in order to assess whether the advantages granted to the businesses in question correspond to the public service goals which are their responsibility, these goals must be defined by the Member State and their financing must be transparent. Any commercial activity practised by these businesses must not, directly or indirectly, benefit from funds intended for public service. Transparency requires this, and I believe that the recent texts issued by the Commission contribute to making these principles understandable, clear and transparent to all.

On this topic, the informal 'Culture and audiovisual' Council, which was held in Lille on 20 and 21 July this year, debated the future of public service broadcasting. Certain ministers considered that a new additional stage of the Amsterdam Protocol was necessary, given the rapid technological development in this sector, and I have stated my readiness to discuss this issue with you and with those Ministers in the near future.

It should also be noted that the Commission recently adopted a revised version of the directive on transparency, as I have already mentioned. This directive, most importantly, does not apply to public service broadcasting companies that do not practise any commercial activity. Therefore, the public services defined by the State, with public financing clearly contained in the definition of public service, are not affected by the directive on transparency.

The concept of universal service is mentioned in the report. In this respect, it should be noted that universal service is a concept borrowed from the telecommunications service, which in my opinion cannot be automatically transposed to the audiovisual sector. Guaranteed access for citizens to certain broadcasting services and certain types of content is a question of defining the public service broadcasting mandate and, in accordance with the Amsterdam Protocol, is therefore the responsibility of the Member States.

The call for a European forum for discussing matters concerning all types of audiovisual content is an interesting proposal which the Commission will consider and study with the interested parties in its examination of the "Television without Frontiers" Directive. It should be noted that, within the framework of the current directive, a contact committee has been created to examine all aspects of audiovisual policy linked to the directive.

With regard to international commercial negotiations in the audiovisual sector, I can tell you that there have been no developments. The Commission has clarified its position many times. It should retain its freedom, acquired during the Uruguay round, to draw up and implement financial and regulatory provisions in the audiovisual sector with a view in particular to safeguarding cultural diversity. In its conclusions of 26 October 1999, the Council gave the Commission to undertake the forthcoming negotiations on services and I can frankly assure you that my colleague, Commissioner Lamy, is in full agreement with this direction. We can be sure that he will safeguard and assist the European audiovisual sector in the way we want, the way you want, and if each person carries out the task assigned to him or her, we will all succeed in future in safeguarding and strengthening our audiovisual service, which is crucial to creating jobs and maintaining cultural pluralism.

2-253

**President.** – Thank you, Commissioner.

The debate is closed.

The vote will take place tomorrow at 12 noon.

2-254

#### **Socio-economic background of Erasmus students**

2-255

**President.** – The next item is the report (A5-0199/2000) by Mr Heaton-Harris, on behalf of the Committee on Culture, Youth, Education, the Media and Sport, on the report from the Commission: "Survey into the socio-economic background of Erasmus students" [COM(2000) 4 – C5-0146/2000 – 2000/2089(COS)].

2-256

**Heaton-Harris (PPE-DE), rapporteur.** – Mr President, it is not often that a politician of my calibre gets to speak to such a packed and huge audience. I should like to thank all the interpreters for staying behind. I understand that my speech leaked out to the rest of the Members of Parliament beforehand, hence their disappearance in mass numbers.

Many of the interpreters, I am sure, would have liked to have studied on a Erasmus course when they were learning their languages and studying at university. I, as a British Conservative, often find fault – and it is very easy to find fault – with many of the programmes organised and paid for by the European Commission and the European Union. However I have a soft spot for Erasmus because it is very difficult to find fault with that particular programme. It seems to achieve some of the results that it actually expects.

This survey is a fascinating one, carried out in 1998. It was fascinating that so many students actually bothered to take part in filling out a form and sending it back to the Commission. The one problem, I suppose, with the results of the survey was that they were reported after we had decided on the Socrates II programme and the Erasmus parts of it. We could have drawn some very useful information from this survey on the socio-economic circumstances of students on Erasmus courses at that time.

There are a number of interesting facts and figures. I could bore you with them but they are all contained within the explanatory statement of the report and in the Commission report itself. But there are a few that I have a great deal of interest in. Certainly of the people who took an Erasmus course in 1998 and bothered to reply to the questionnaire 98% found that the programme was extremely positive or at least very positive. Ninety-one percent were over the moon with what had happened to them on the course. It is a shame that 57% of them experienced financial hardship as a result of their particular Erasmus course. One wonders whether, when only half the money is being spent on the Erasmus places being taken up, (half are left open at the end of each year) the money could not be better redistributed within Erasmus itself.

When I initially tabled my report I put forward a few controversial ideas just to see if anybody bothered to read what was going on. Fortunately two or three Members (and the Commission as well) did read them. A number noticed little points that I had to then retract. But one which is still there in point 4 of my report, which I would like to underline, is the part that condemns any internal discrimination practised in Member States. If you had trouble getting on a higher education course in Austria for example, because you were of a certain race, this place would have been in a complete uproar. But that is exactly what is going on in my own country at the moment, with English students who want to study in Scotland being penalised financially by the Scottish Executive.

So I really wanted to keep that in my report. I sneaked it in there and it stayed pretty much hidden until now, and I would like to reveal it to the very few people who are in the Chamber tonight. I look forward to my new Labour colleagues voting on this particular matter. I believe it is slightly too late to ask for a split vote.

I have also tabled a couple of amendments. One helps with a bit of punctuation, a bit of grammar on the particular passage in point 4, the second in point 6. In the committee stage of this report part of a sentence was added which said: "considers that the survey's findings should be taken as an opportunity to review national higher educational policies". I do not think it is in the remit of this report or this place or the Commission to ask for that. So I have tabled an amendment which would delete that. A third amendment which I have tabled has changed just one word in the English language version from "regrets" to "notes".

I really enjoyed working with the Commission and all the people that have helped me. I would like to end by thanking those who helped me with this report, especially my researcher Nicky Smith, who waded through every single statistic. We contacted every university and vice-chancellor in the UK and many across Europe to ask for their comments on this report. I commend it to the House.

2-257

**Prets (PSE).** – (DE) Mr President, Commissioner, I know it is very late and not a lot of people are here. That should be no surprise to you, however. It happens not only, thank heavens, where cultural and educational matters are concerned but also in many other areas. I think, though, that, as you yourself have already said, quality speaks for itself. You have briefly commented upon your report and your amendments yourself.

I am an Austrian and know from experience that, in Austria, there is very good access to all universities and courses of study. I should also like to make it clear that we have no problem giving ethnic minorities access to these, either. We certainly do not lag behind England, or Great Britain, in that area.

On the subject of the Erasmus programme, which is, after all, a part of the Socrates programme, I should like to say that – given the need not only to set up the programme but also to evaluate it – it is quite important to examine the efficiency of what is being offered and to carry out an assessment of the resources, if new knowledge is to be obtained and, above all, the defects in the programme removed. It has already been said that new knowledge of this kind will unfortunately not have any impact upon the Socrates II programme. I think we could have done to update things in this area, since 40% of the Socrates budget is, after all, being allocated to the Erasmus programme and, in that way, to students at European universities.

It was, and remains, the goal to make it possible for 10% of students to spend a part of their degree courses in other Member States. Unfortunately, a figure of only 1% was achieved in the first year. The participation rate has risen and is now just under 50% of the figure aimed at. The report has shown that the reasons for this are both structural and cultural, as well as economic to quite a significant degree. So far, there has been no success in complying with what is also laid down in the Socrates programme and giving a special boost to groups that are weak in socio-economic terms. On the contrary, the programme is instead used by students whose parents have both a high level of education and a corresponding level of income. Fifty-seven percent of Erasmus students had considerable difficulties financing their stay abroad. I think there needs to be coordination between the Erasmus scholarships and the countries and the universities concerned. In that way, reform can be implemented and an information campaign launched in order to question, and shed some light upon, why so few people are able to participate in this programme. Above all, it is a question of preserving equality of opportunity in all countries. That is why it is worth showing some commitment. I think that making equal opportunities available to young people is quite important for us all.

2-258

**Reding, Commission.** – (FR) Mr President, I would first like to congratulate the rapporteur on this, his first report, which succeeded straightaway in achieving unanimity. I feel this is a very promising beginning, although undoubtedly the subject lends itself to unanimity; indeed, I do not think that, amongst the impressive number of European programmes available to our citizens, there is a report that is as well-known and as much appreciated by the public, and not just by the students; recently, a grandmother stopped me in the street to thank me for what I was doing for her grandchildren, who were travelling abroad thanks to an Erasmus grant. So, you see, these programmes also achieve the unanimity of the whole population and naturally, they can always be improved.

This year, 110 000 students are receiving the special attention that we give to all aspects of their Erasmus trip and to the smooth running of this section of the Socrates programme, and we thank Parliament for supporting this measure. Admittedly, there are problems. It is often said that only the children of fairly comfortably off families can travel as the others cannot live on this modest grant. If we consult our statistics, however, 4 out of 5 Erasmus students were the first members of their family to study abroad, which does illustrate the role that this programme plays in the opportunities for mobility available in Europe to students of new social backgrounds. Therefore, it is untrue that only children from privileged backgrounds can benefit from Erasmus grants. Furthermore, even if the latter have more to live on because they receive additional help from their parents on top of their grant, in other respects it seems that these financial difficulties are the only criticism made.

Ladies and gentlemen, like you, I would have liked the amount of the loans allocated in the negotiations with the Council over the budgetary appropriations for the Socrates programme to be set at a higher level than they were since I am limited in my ability to increase Erasmus grants as much as I would like. What conclusions can we draw from this? Well, quite simply, the national bodies with decentralised responsibility for student mobility have to take the national situation into consideration and adapt the grant policy accordingly. I have asked the Ministers for Education, each in their own country, to take the necessary steps to grant supplements and advantages for Erasmus students in order to offer those who are not fortunate enough to have a benevolent father or generous grandmother the chance to travel too. I also urge each one of you to contact the Minister for Education in your country so that he will do all he can to remedy this financial problem.

I have asked the ministers to make sure that a larger grant is given to the poorest students. I have asked the regional authorities to make an effort to assist their students and I have asked university rectors to provide for financial resources within their universities to enable students on lower incomes to still benefit from grants, if they want to and if they are eligible. I think that in future, I will once again have to request the help of all the national and regional authorities in this area. Furthermore, I shall consider this question in a moment as the French presidency wishes to develop a real action plan to foster mobility and together with the minister, Mr Jacques Lang, I have just set a specific meeting of the Ministers for Education on the theme of mobility.

On this occasion, we will not only talk about what we would like to do and what we should do in future, but we will cite examples taken from certain countries as models, but not necessarily at national level. I will give you an example at random. In one region of Germany, a regional Minister for Education has created a ‘mobility’ savings scheme in conjunction with banks and building societies so that parents, friends and families, instead of buying vast numbers of toys for children, invest in this scheme which will be available to the child when he is old enough to study abroad.

As you can see, there are good ideas, all sorts of good ideas. I hope that the discussion on ‘mobility’ that the French presidency wanted will get this situation moving and that goodwill will be sought both at a private level and at regional, European and national levels so that the great success of Erasmus will encompass a growing number of students. This is the price to pay for creating Europe, since students who have got to know another country within the framework of Erasmus, who have made friends in another country, at another university, are the true Europeans who will make European policy tomorrow. A greater number of happy Erasmus students is in the interests of our society as a whole. So let us all work together so that there will be a large number of them in future.

2-259

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

The vote will take place tomorrow at 12 noon.

2-260

### Fisheries agreements

2-261

**President.** – The next item is the joint discussion of the following reports:

- by Mr Varela Suanzes-Carpegna (A5-0194/2000), on behalf of the Committee on Fisheries, on the proposal for a Council regulation relating to the conclusion of the Protocol establishing the fishing possibilities and the financial compensation provided for in the Agreement between the European Economic Community and the Government of the Republic of

Guinea on fishing off the Guinean coast for the period 1 January 2000 to 31 December 2001. [COM(2000) 304 – C5-0315/2000 – 2000/0154(CNS)]

- by Mr Varela Suanzes-Carpegna (A5-0188/2000), on behalf of the Committee on Fisheries, on the proposal for a Council regulation relating to the conclusion of the Protocol defining, for the period 3 December 1999 to 2 December 2002, the fishing opportunities and the financial contribution provided for by the Agreement between the European Community and the Government of Mauritius on fishing in the waters of Mauritius [COM(2000) 229 – C5-0253/2000 – 2000/0094(CNS)]

2-262

**Varela Suanzes-Carpegna (PPE-DE), rapporteur.** – (ES) Mr President, today we are discussing two new international fishing protocols between the European Union and third countries: Guinea and Mauritius, the Atlantic Ocean and the Indian Ocean. These two agreements are different in terms of geographical location, dimension, fishing allowances and financial compensation. However, at the end of the day, they are two important agreements which will add to the already significant network of international fisheries agreements between the European Union and third countries, the basic pillar of the common fisheries policy, since it is essential to cover our supply requirements, both for the European consumer and for our industry, and it is also essential to do so by means of our own fleet.

The fisheries agreements with third countries therefore fulfil a crucial objective of the common fisheries policy, and they also contribute to employment and, in most cases, in European regions which are very dependent on this activity. They therefore create commercial balance, employment and preserve the competitiveness of Europe's own significant fishing fleet. In its opinion on the 2001 budget, our committee has this afternoon approved the draft which our Vice-Chairman, Mrs Miguélez, had presented us, to increase budget line B7-8000 (International fisheries agreements) by EUR 7 million, thereby re-establishing the amounts in the preliminary draft budget presented at the time by the European Commission.

Morocco, Mauritania and Greenland are great negotiating challenges for the European Commission and we all hope that these negotiations will soon conclude successfully. For the moment, we are happy today with the agreements with Guinea and Mauritius, which will cover important needs of different fleets, of different States of the European Union, in the Atlantic and Indian Oceans. Notable in both cases is the constant and worrying increase in the payments by shipowners while, curiously, these are not included in other agreements, as is notoriously the case with the agreement with Greenland. For example, in the case of Mauritius, there is an increase in the amount that shipowners are to pay for licences, of EUR 5 per tonne of fish, that is to say, they are increased from EUR 20 to EUR 25, and there is also an equivalent increase in the case of catches by ship. The European Union's contribution is reduced by 29%, payable by shipowners which, in the case of complete exploitation of the fishing allowances, would mean a contribution of 23.5% of the total cost. In the previous protocol it was 7%, that is to say, there would be an increase from 7% to 23.5% of the total cost payable by shipowners.

In this context we also wish to highlight the imbalances in the internal distribution of these fishing allowances by the European Commission amongst the Member States, as was the case with cephalopods in the agreement with Guinea. Both agreements give significant support to the local authorities for the conservation of their own fishing resources and furthermore advocate agreements between states as opposed to private agreements – which is very important in agreements such as the one with Morocco, which we are trying to negotiate – as well as the contribution of the European Union to the establishment of modern control systems, which forms part of the conservationist position of the European Union in all of the world's seas, in accordance with its internal approach to its own Community waters.

On the other hand, there is an important direct relationship between the financial compensation and the objectives and cooperation actions that have been agreed. In the case of the agreement with Mauritius, we are talking about 50%, as opposed to 30% in the previous agreement. As is so often the case, there is a lack of documentation for comparing figures and data between the protocols, although in this case we should thank the European Commission for including the minutes of the negotiations, in the case of Guinea, which makes more data available and ultimately makes the process more transparent. This is welcome and the European Parliament is grateful for it.

The Committee on Fisheries has voted in favour of these agreements, and this has become the norm, since it considers that they are both highly beneficial to both parties, that is to say, the European Union and the third countries.

The Liberal Group has now presented Parliament with an amendment of similar content to each of the reports which would mean – in the view of the rapporteur – that the common fisheries policy would cease to be common and would mean a departure from an important pillar of external policy. It would mean that only the direct beneficiaries of the agreement negotiated by the European Commission would pay for it, on behalf of the fifteen Member States of the European Union.

The rapporteur is against this amendment, since, if only those who benefit directly from Community policies are to pay for them, that would quite simply be a way of breaking up the single market and dismantling the European Union itself.

We are therefore in favour of both fisheries agreements, which we hope may continue in the future, and we are anxious, Commissioner, to be able soon to hold a debate in our Fisheries Committee, and to repeat what we are saying now, in

relation to the extremely important fisheries agreement with Morocco. Keep up the hard work – I can see from the conversation we had this afternoon that you are working hard – and I encourage you also to move forward with that important negotiation.

2-263

**Langenhagen (PPE-DE).** – *(DE)* Mr President, Commissioner, in principle I approve the new protocols to the fisheries agreements with Mauritius and Guinea. The Commission and the rapporteur have done some good work. However, the effects of fisheries agreements upon the EU budget are not something to be sneezed at. If we are to draw the correct conclusions, no more time must now be lost in involving Parliament, because trouble is brewing. Allow me to explain what I mean. We are concerned here with mixed agreements. It is not just a question of how many fish are to be obtained for how much money, but also about employing the precautionary principle to achieve the sustainable use of fisheries resources.

We want to help Mauritius and Guinea develop fisheries management, as well as offer financial support in the fields of education and research. In Mauritius, for example, just under 50% of the total volume of available finance is to be used for these measures. I myself consider it a good thing for us also to be promoting development measures in connection with fisheries. Fisheries is the ideal field for such a combination. Yet, in the Committee on Fisheries, we are repeatedly confronted by the issue of whether the price paid by the European Union to third countries for its fishing rights is not too high. There is a danger of the European Union's one day being ridiculed and taken advantage of internationally because of its generosity. Moreover, to what extent are third countries now really all dependent upon EU funds? Bilateral agreements are increasingly coming into force because ship owners or others offer more money than the EU. If the latter were to become a day-to-day occurrence regulated by the market itself, might not consideration have to be given to the question of whether the EU ought not progressively to withdraw from the current agreements and perhaps spend its subsidies in other ways? Obviously, that would have to be compatible with the common European fisheries policy.

I welcome the agreements that are before the House. Only, we ought not to be blind and, above all, not issue any blank cheques.

2-264

**Miguélez Ramos (PSE).** – *(ES)* Mr President, the Socialist Group supports the proposal for a Council Regulation on the European Community fisheries agreements with Mauritius and the Republic of Guinea. Both agreements fall within a general European Community policy based on our presence in the rest of the world.

The fishing sector forms part of the Community's economy and, in order for the Community fleet to be able to fish and carry out its activity, the Community must reach agreements with third countries and international organisations, so that our fishermen can enjoy adequate fishing allowances. Both agreements have been renewed regularly. In the case of Guinea we have had an agreement since 1983 and in the case of Mauritius since 1989.

There can be no doubt about the cost-effectiveness of these agreements for the European Union, as demonstrated in the study commissioned by the Commission on their cost-benefit relationships. Nor can we doubt the beneficial effects for the other contracting parties, in this case Mauritius and the Republic of Guinea. Both countries gain valuable resources for their development in exchange for the fishing allowances which they grant to our fleet. These are agreements which benefit both parties and which have been amended over time, being adapted to the demands of the sustainable exploitation of resources and of actions supporting the efforts of the authorities in the third countries to develop their own fishing sector.

The protocols that periodically renew the agreements have been adapted to the true situation, to the quantities of fish actually caught and the state of resources in those fishing grounds. Despite reducing the quantity of catches in the agreement with Guinea, the economic compensation to be received by the African country will be maintained, since the new protocol increases the amount of the tariffs and the licences which must be paid by Community shipowners. Therefore, the contrast with other agreements – I would like to highlight, for example, the agreement with Greenland, in which the shipowners do not contribute to its cost – is the all the more drastic. In the case of Mauritius, it also reduces the volume of authorised catches and specifies the number of vessels authorised to fish.

The approval by the European Parliament of these two fisheries agreements sends a political message demonstrating our support for the signing and renewal of other fisheries agreements which are of much greater importance for our sector because of the number of ships and fishermen which depend on them. I am referring in particular to the agreement with Morocco. Seven hundred ships out of action is excessive, and 8 000 fishermen not working for 10 months are far too many, given that the contacts so far between the Commission and the Moroccan Government have offered little hope of success.

Everybody must do their duty and fulfil their obligations. This institution has done so, with its Committee on Fisheries approving today, in a special meeting, the amounts proposed by the European Commission in the B7-800 line on fisheries

agreements with third countries. It now falls to the European Commission to negotiate hard in order to reach a reasonable agreement with Morocco. We are still waiting for that to happen.

2-265

**Busk (ELDR).** – *(DA)* Mr President, may I first of all thank the Chairman of the Committee on Fisheries, Mr Varela, for a particularly good piece of work on these reports. In principle, those of us in the Group of the European Liberal, Democrat and Reform Party support the EU's having fisheries agreements with third countries, but I should also like to point out that what we in the Liberal Group want – and this is why we have tabled a number of amendments – is for the fishermen or ship owners to make more of a contribution to financing the fisheries agreements. It is, of course, only right that they should be involved in financing those agreements from which they themselves benefit more than anyone else. The fisheries agreements are extremely important for certain regions in which, in addition to employment in the fisheries sector itself, there are a range of associated businesses wholly or partially dependent upon the fishing industry. By means of the fisheries agreements, the EU is able to develop its activities in this sphere and exchange fishing rights with third countries. The effect of the EU fleets upon fishing resources – in terms of structural policy and the financial situation – ought to be analysed much more than it is at present. I want to conclude by asking the Commission to provide the Committee on Fisheries with a report on what for third countries are the positive and negative consequences of the EU's fisheries agreements.

2-266

**Farage (EDD).** – Mr President, last October I spoke here against the EU-Angola fisheries agreement. My reason for doing so was simple. All the evidence shows that agreements between the EU and third world countries have been conservation disasters. They also seriously damage the indigenous populations. This time we have proposals for agreements with Guinea and Mauritius, which will have similar effects.

In a way, that much is recognised in the current proposals. More stringent checks are being called for. Inspection vessels are to be provided, and greater note taken of the needs of local fishermen. But that is not enough. There is no guarantee that these agreements will be properly policed. Policing of fishing effort in European waters is woefully inadequate, and it is therefore hard to believe that things will be any different in foreign climes.

In addition, British fishermen from the south-west of England to the north of Scotland are continuing to suffer greatly because of the common fisheries policy. Fishermen are discarding thousands of tonnes of saleable fish and going bankrupt in the process, yet while this economic and conservation disaster is in progress, the EU is proposing to spend over EUR 7 million to give Greek, Spanish and Italian fishermen access to the waters. By any standards, this is preposterous. Not only will I vote against these proposals, but I shall urge my government to oppose them.

2-267

**Cunha (PPE-DE).** – *(PT)* Mr President, I welcome the Commission's two proposals on these two fisheries agreements, particularly the agreement with Guinea. I should like to begin by highlighting and expressing my support for the innovations introduced by the current agreement, which dedicate 50% of the European Union's total support to specific actions aimed at the sustainable development of the sector. Amongst other new aspects of this agreement, I also wish to highlight the innovation of providing an additional premium of EUR 370 million in the event that the Republic of Guinea implements a range of actions designed to reduce its overall fishing effort.

As Guinea is a country with an annual available production of 250 000 tonnes of fish, and since its small-scale fishing fleet only has the capacity to catch 50 000 tonnes, this is clearly an agreement of mutual convenience, which avoids any conflict of interest and which also enables Guinea to obtain exceptional financing to develop its fisheries sector.

We see from this that, apart from the importance of fisheries agreements for the European Union, they can also be used as instruments for development in these countries. As a Portuguese citizen, I am bound to regret the fact in this context that the Commission and the Council are so far behind in their negotiations on the agreement with Morocco. I am also unhappy at the difficulties being raised over other Member States having access to fisheries belonging to Greenland, the agreement with whom has hardly been used, and which is shortly due for renewal. It is nevertheless important that the requirements of supervision and control, as well as the programmes designed to control the reduction of the fishing effort are also imposed on the other countries that fish in the waters of these developing countries and not only on the Member States of the European Union. I therefore ask the European Union, during its negotiations, to make an extra effort to ensure that this rule is applied to everyone and not just to us.

2-268

**Van Dam (EDD).** – *(NL)* Mr President, sadly, all too often in the past, the reorganisation of the European fishing fleet has led to these ships being transferred to the African coast. They was no limit on the extent to which they could be used there, which posed a serious threat, not just to the fish stocks but also to the livelihoods and the food supply of the people in the local area. Accordingly, when we draw up these fisheries agreements, we should not just take account of the interests of the European fishermen, we must also bear in mind the interests of the local population.

The agreement with Mauritius concerns the tuna fish catch, but the situation is far more complex for Guinea. European ships fish there for fish species that are used by the local fishermen. It is encouraging to see that in both agreements 50% of the financial contribution will be allocated to developing the local fishing industry. Control over how this money is spent is certainly prerequisite to the future extension of the Protocol. Private contracts between European shipowners and the Guinean Government are often concluded without this form of assistance from the local fishing industry, and contribute to over-fishing due to a lack of controls.

A very worrying recent development is that small French trawlers are concluding contracts outside the fisheries agreement. These trawlers will fish in the coastal zone, where they are a direct threat to local fishermen. All Member State ships should respect an economic twelve-mile exclusion zone. In addition, I feel it goes without saying that shipowners should contribute more to the costs of the fisheries agreements and that the tax payer should not be the one to subsidise this exploitation of fishing grounds.

2-269

**Maat (PPE-DE).** – (NL) Mr President, first of all I would like to compliment the Commission, and also our rapporteur, on the agreement reached. The agreement takes more account of the developing countries themselves, in this case Guinea and Mauritius, than was formerly the case. That is something in its favour and what it in fact means is that these agreements should actually fall to be considered under the codecision procedure with Parliament. Perhaps this will take place next year though, after the IGC.

I am critical of a number of other points. I believe it is a sound agreement. Clearly this agreement is extremely important to the countries of the south; after all, the southern fisheries agreements are directly responsible for 13 000 jobs in Spain and Portugal, among others. The turnover is no mean feat either, amounting as it does to around EUR 485 million, in comparison with which, an agreement with Greenland, for example, pales into insignificance. This means that the sums set aside for this purpose will also mainly be spent in these countries. There is something to be said for this alone.

Historically, these countries had their agreements, but it would be a positive move if the business community itself were to make more of a contribution to this kind of agreement. I mention this because a balance must be struck between developing countries and countries with a large fishing industry, but it is also necessary to strike a balance in the way funds are spent across the various fishing zones.

That being the case, I would point out that certain countries in the north, of which my own country is one, have great difficulty with the cutbacks they are experiencing in the multiannual orientation programme. The honourable member from Great Britain has already described the problems the fishing sector is having to contend with there. This simply means that when it comes to the fisheries policy, we must look with a critical eye at this agreement in order to ascertain where the interests lie and how the money is being spent.

It is quite clear that regional elements are going to play a more prominent role. Let there be no mistake, I think this agreement is indispensable to Spanish and South European fishermen – that is the first point – but I think it is also essential for a regional policy to allow for restructuring of the fishing industry in the northern coastal areas, to offer scope for sound agreements with northern countries, and for it to be properly tailored to specific regional needs.

2-270

**Fraga Estévez (PPE-DE).** – (ES) Mr President, it seems that the Commission is happy to ignore the requests of the Council and this Parliament – the former clearly expressed at the Council of Ministers of October 1997 – and delay the work on the guidelines for the negotiation of the fisheries agreements.

The protocol with Guinea-Conakry is a good example. We expected the payment quota for shipowners to be increased, but it is intolerable that, in the Council working groups, the Commission is prepared to describe that increase as light, given that it means an ever-greater sacrifice for the fleet and that – I repeat – in the agreements with the northern countries, shipowners do not pay a penny. Furthermore, the Commission has been prepared to ignore the principle of relative stability by casually removing from the Community fleet fishing rights that have been acquired in accordance with that principle. The principle of relative stability is either sacred or it is not, and it cannot be untouchable in Community waters when the complete opposite is the case in the fisheries agreements with the southern countries.

The Commission says that it has taken away Spain's allowances for fishing cephalopods because it did not fully utilise them during the last protocol, and it grants them to countries which had never fished there. That is all very well. I have always argued for the total exploitation of the fishing rights granted, but in all waters, not just in relation to the agreements with the southern countries. In the agreements with the northern countries they are completely under-exploited and there is no way that the fleets with the greatest interest in fishing there can do so. Why do these differences exist? Could you please explain this once and for all.

Furthermore, what makes the Commission think that, because it did not utilise the fishing allowances during the previous protocol, it will not do so during this one, given that its cephalopod-fishing fleet which was fishing in Morocco has been

out of action for nine months and there is no solution in sight? Mr President, all of this illustrates the mental and physical chaos of our Community fishing authorities, and it will only be resolved when the guidelines which I referred to earlier are established in a clear and agreed way.

2-271

**James Nicholson (PPE-DE).** – Can I first of all welcome the report and congratulate the rapporteur for his work in bringing forward this report? There is little doubt that fisheries agreements are coming under much closer scrutiny to determine what they achieve and what they deliver, not only for people in the European Union, but also for the countries with which they were concluded in the first place.

The rapporteur rightly mentioned the agreement with Morocco several times. This agreement is causing tremendous concern to the people most directly affected and those who might benefit to some extent and has certainly prompted great disquiet in the Fisheries Committee. I want to ask the Commissioner very straightforwardly and point-blank whether the Commission, and Parliament, and the European Union are being held to ransom by Morocco because of its unwillingness to agree. Perhaps he could give an answer when he comments on the debate later on.

We cannot overlook the concern about fisheries agreements. They are expensive and the amount of money involved is substantial. The money has to be taken into account to a greater extent in the future, and we cannot pretend otherwise. Yes, in the past the agreements have been acceptable, but we need a new approach and a new vision in the future. In the longer term the Commission will have to cooperate with Parliament, because Parliament is concerned to determine how agreements can best be achieved.

Looking at what we have before us, I have to say to you, Commissioner, that the present situation cannot continue. Yes, I support the proposal submitted and I will support the proposal that emerges, but I wish to stress that the principle cannot continue for ever and support in the future cannot be taken for granted as it has been in the past.

2-272

**Fischler, Commission.** – (DE) Mr President, ladies and gentlemen, first of all I should like to say a warm thank you to the rapporteur, Mr Varela Suanzes-Carpegna, for the two reports he has submitted today when the new protocol for a fisheries agreement between the European Community and the Republics of Mauritius and Guinea is up for discussion.

Where the first agreement with Mauritius is concerned, I am glad to hear that you support the new technical features, as well as the further amendments to this protocol as these relate, for example, to the distribution of costs, to the increased finance available for scientific programmes, to monitoring and control and to subsequent financing. The agreement with Mauritius is a typical tuna fish agreement, involving a small number of fishing opportunities for line fishermen, and forms an important component of the EC network of tuna fish agreements in the Indian Ocean.

This new protocol is the fourth since the Framework Agreement came into force in 1990. The three-year extension to the protocol creates fishing opportunities for 83 tuna fishermen and, by means of this protocol, the October 1997 guidelines of the Fisheries Council are to be included in the agreement for the first time, namely an increase in specific measures for developing the fisheries sector and a new distribution of the costs between the Community and the ship owners.

Among the most important features of the protocol is the fact that, in view of the small quantities of fish caught during the three years that the last protocol was in force, the authorised tonnage has been reduced from 7 500 tonnes to 5 500 tonnes, which will also lead to a corresponding reduction – namely of 29% – in compensation payments.

I can also inform you that 50%, that is to say half, of compensation payments are intended for specific measures to develop the local fisheries sector. Measures in the fields of science and technology, including plans for monitoring and control, are to be financed. In this connection, I should like to emphasise that the conditions for monitoring such measures have been improved by the fact that the authorities on Mauritius now have to submit a detailed report each year and by the fact that the Commission is able to review payments in the light of whether the various measures have in practice been carried out.

Licence fees for ship owners have been considerably increased, from EUR 20 to EUR 25 per tonne. All in all, the protocol has led to a comprehensive redistribution of the costs between the Community and the ship owners, since the latter now have to bear 23.5% of the total costs compared with a previous figure of only 7%. That is in line with the Council's 1997 decision in connection with the third country agreements, whereby costs are to be distributed in a balanced way. There are also technical improvements when it comes to catch notifications, the deduction of fees due and the procedures for taking catches on board.

If I understand you correctly, you also welcome the technical features we have introduced into the agreement with Guinea, especially the fact that, by means of a special premium, more attention is being given to the development of marine resources.

Since 1983, we have also maintained a Framework Agreement with the Republic of Guinea. This agreement too is important for the European Union because it specifies fishing opportunities for trawler and tuna fishermen. Within the framework of the agreements with various neighbouring States, particularly Senegal, Mauritania and Morocco, it also offers a partial alternative for the fisheries industry during the close seasons. It also, to some degree, offers an alternative to Moroccan waters. I am therefore pleased to be able to inform you that the protocol with the Republic of Guinea contains important innovations, aimed especially at promoting the precautionary principle and the sustainable use of resources.

I should like specifically to mention at this point that a premium is to be introduced for the purpose of supporting the Guinean authorities in improving fish stocks in Guinea's exclusive economic zone. This premium will only be paid if Guinea can prove that its overall fishing activities have been reduced and that the agreed measures aimed at more stringent monitoring and control have been applied. The idea is that we want to support Guinea in promoting bilateral fisheries agreements with other States and in reducing the number of private arrangements which frequently undermine sustained fisheries management.

What is more, 46% of the total aid package is now to be spent on the financial counterpart for specific measures such as scientific and technical research and the monitoring and inspection of fishing activities, as well as on supporting technical training and further education in the sphere of fisheries and on supporting participation in the work of international organisations.

Finally, the protocol provides for close cooperation between both parties in administering the measures. Monitoring is to be facilitated by means of a detailed financial report and by the Community's ability to review payments in the light of whether or not the measures have in practice been carried out.

Where your amendments are concerned, I should like to make it clear that the Commission can in principle accept the first two of these. The Commission has to reject Amendment No 3 because it contradicts the current theory on protocols to fisheries agreements and affects the Commission's negotiating powers. Since the protocol constitutes an annex to the Framework Agreement, it can be regularly renewed without the need for any new negotiating mandate. It goes without saying however that, with its leading role in the negotiations, the Commission will see to it that the negotiating guidelines laid down by the Council are observed.

The Commission must also reject Amendment No 4 because it contravenes the spirit of the Council's 1997 decision calling for a distribution of costs between ship owners and the Community. Many thanks for your attention.

2-273

**President.** – Thank you, Commissioner.

The debate is closed.

The vote will take place tomorrow at 12 noon.

We have exhausted the agenda and ourselves, I think.

Ladies and gentlemen, I bid you goodnight.

*(The sitting was closed at 11.25 p.m.)*<sup>8</sup>

2-213

#### **Annex – formal sitting**

2-214

#### **IN THE CHAIR: MRS FONTAINE** *President*

*(The formal sitting was opened at 11.30 a.m.)*

2-215

**President.** – It is my very great pleasure to welcome Mr Avraham Burg, Speaker of the Knesset, and Mr Ahmed Qurie, Speaker of the Palestinian Legislative Assembly, to the European Parliament. I am thrilled to be able to do so, and to do so with great hopes for peace.

*(Applause)*

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<sup>8</sup> *Agenda for next sitting:* See Minutes

I would like to thank you both for the courage and open-mindedness with which you have both accepted the invitation I made to you during my official visit to the Middle East in February this year. Your joint visit is unprecedented in the history of this institution. It has been made possible because you are both men of peace, and it is as such that Parliament welcomes you here today. I am mindful that your visit is also due in great part to the persuasive diplomatic efforts of our fellow Member, Luisa Morgantini, Chairman of the Delegation for relations with the Palestinian Legislative Council, whom I must thank particularly for this.

*(Applause)*

It is highly significant that, in your capacities as the speakers of the two assemblies which will be required to ratify the agreements which are being drawn up, and in which negotiations you are yourselves taking part, you have opted to come together to address the European Parliament.

We appreciate the true worth of your approach: the value of your shared determination to reach a peace agreement, the determination to see Europe involved in the ongoing process to a greater extent, and let me welcome Ambassador Moratinos at this point, and the determination to step up your cooperation with the European Union at parliamentary level.

There is not one of us who is unaware of the complexity of the situation in the Middle East, in this land which is home to what a large part of the human race considers to be the most sacred historic sites, which are hence the most disputed sites.

We Europeans are in a good position to know just how difficult it is to make peace rather than war.

It has taken us, particularly in the twentieth century, devastating wars which have ravaged the entire world with the tragic loss of millions of lives before realising, at last, that war is a madness which wreaks universal ruin.

The European Parliament is not welcoming you here today in order to preach at you, but as a friend to the two nations you represent, which are both finally entitled to peace, security and development.

When the same process is under way in the Middle East as the one which has brought Europe not only from armed conflict to peace, but from peace to cooperation between neighbouring countries, perhaps we can envisage a parliamentary assembly uniting the peoples of your region as our counterpart! What a wonderful dream this would be, and I am sure that our shared determination will one day make it a reality.

Mr Avraham Burg, Speaker of the Knesset, Mr Abu Ala, Speaker of the Palestinian Legislative Council, the debate which you have just heard has testified to the European Union's and, in particular, the European Parliament's interest in the progress of the current negotiations.

Your may rest assured that we shall be listening to your words with the utmost attention.

Allow me to hope, without denying the major obstacles, weighty as we know them to be, during this crucial phase of the negotiations, that you will be able to assure this House that the gateway to peace will remain open and that both your nations will go through it together.

Without further ado, I shall give the floor first to Mr Abu Ala and then to Mr Burg.

2-216

**Ahmed Qurie**, *President of the Palestinian Legislative Council*.<sup>9</sup> – (FR) Mrs Fontaine, President of the European Parliament, Members of the European Parliament, ladies and gentlemen, let me begin by expressing my great pleasure at the dialogue we have had this morning on the peace process and Europe's great interest in the success of this process and in establishing a climate favourable to this peace. Let me also express my great pleasure at seeing a great number of European leaders who have distinguished themselves in working and in continuing to work in a serious way in order to find a solution to the problem of the Middle East.

It is my very great honour, as President of the Palestinian Legislative Council, to accept your invitations to this significant meeting with the elected representatives of the nations of the European Union. I am delighted to address you today alongside Mr Avraham Burg, President of the Knesset, the Israeli national parliament, to give you a frank, clear and open picture of our hopes and sorrows, our suffering and the difficulties we are encountering at this crucial stage of the Middle East peace process. We were hoping, and we continue to hope, to be able to meet the first years of the twenty-first century having prepared our region for a new era, an age free from struggle and bloody warfare, free from violence or terrorism, and to establish, with your help, a place, which we would like to safeguard and develop, favourable to peace and

<sup>9</sup> *Transcription of the interpretation of the speech made in Arabic*

coexistence between the nations of a region which for so long has suffered the torments of awful bloody conflict and the murderous language of arms. Your great experience will prove invaluable in this.

Madam President, with great respect, let me mention your important visit to Palestine and to the Legislative Council. Let me mention your laudable efforts to support us and to support the building of democracy by the Legislative Council in our country, on the one hand, and your support for the peace process on the other, and the invitation to Mr Burg and myself to establish dialogue with you. It is my pleasure to inform you that I have worked together with Mr Burg, making modest but sustained contributions towards consolidating the foundations of cooperation between our two parliaments and devoting every possible effort to consolidating the peace process and making a success of it. I am deeply convinced that problems, however great, must neither defeat the dreams and ambitions of our peoples nor destroy their hopes of living in peace and security. We promise that we shall continue our endeavours, with the help of the popular backing we have and your own support.

Madam President, throughout successive historic periods, the land of Palestine has experienced marvellous forms of human coexistence and religious tolerance among various communities and religions. It has also seen the meeting and fraternal coexistence of the three monotheistic religions expressed in religious freedom, respect for faiths and the practices of different forms of religion. Palestine is thus the home of the prophets of peace. Within its borders we have seen the development of the messages of God to the whole human race: Islam, Christianity and Judaism. The Holy Land, and the neighbouring regions, blessed by God, should be big enough to accommodate all the monotheistic regions and to be the land of love and peace.

However, despite the divine blessing, this land has undergone many conflicts throughout history. The twentieth century, which saw the tragedy of the Jewish people in Europe, has also borne witness to the tragedy of the Palestinian people in their own country, when the rest of the world started to look for a solution to Europe's Jewish problem in the land of Palestine. In 1947, the United Nations Organisation proposed a plan for the partition of Palestine into two States, with the Jewish State to cover the greater part of Palestine and an Arab State to have the smaller part. The Jewish State was declared on 15 May 1948, and was immediately recognised by the countries of the West, led by the countries of Europe and the United States, who granted this State all the necessary support while the Palestinian people continued to endure every form of privation, emigration, the enforced displacement of persons, and the lack of their own country, their own identity or their own State. This situation contributed greatly to paving the way for violence and war.

Madam President, ladies and gentlemen, the conflicts and the wars in our region have wrought havoc, causing destruction, desolation and enormous losses in human and material terms. Throughout the second half of the twentieth century, the region experienced many wars and confrontations which caused death and destruction everywhere, reducing the region's economies to war economies, undermining development operations in many countries and causing scientific and cultural backwardness in others. The Palestinian people were the most seriously affected of the entire region, and have paid the highest price, politically, economically and socially. Following the major problems related to Israel's isolation from its neighbours, the permanent state of alert related to the state of war in the region and the harsh suffering of the Palestinian people remaining on Palestinian territory or becoming refugees abroad or in the camps, it was essential to take the initiative of finding an alternative to war and bloody conflict. Peace therefore became the only option which fulfilled the aspirations of the peoples of the region for stability and development, to live in peace and security. In order for such a peace to be lasting and general, however, it had to be fair.

The peace process was launched in Madrid in 1991. We took part in this process, driven by our sincere determination to arrive at a just peace throughout the region in general and between Palestinians and Israelis in particular. This process is based on Resolutions 242 and 338 of the United Nations Security Council, which stipulate the inadmissibility of acquiring alien territories by force. It is also based on the search for a fair solution to the refugee problem and on the principle of territories in exchange for peace. In accepting these resolutions, we have accepted that we shall have only 23% of the territory which Palestine had historically, and this is a major concession, let me stress, a major concession, which the Israeli political leadership refuses to admit into the negotiations on the permanent status, citing the intransigence and inflexibility of the Palestinians as an excuse.

In accordance with these principles, we have committed ourselves to the peace process, driven by the conviction that it is essential to put an end to this long, bloody chapter and to arrive at a just peace, which is something we are all hoping and praying for, after a long period of enmity and painful, destructive conflict. Our priority right now is to resurrect these hopes which for a long time had remained missing or hidden, by preparing the environment and the regional economic and political climate for the establishment of relations of development and regional economic cooperation enabling the influx of investment and projects into this region of ours which has been exhausted by conflict and bled dry by the exorbitant cost of the wars. The Washington talks and, similarly, those which took place in Oslo, led to an agreement in the form of a Declaration of Principles, the Oslo accords. The PLO exchanged mutual recognition documents with the Israeli Government, in what was in my view the most significant phase in the history of the Arab-Israeli conflict in general and the Palestinian-Israeli conflict in particular.

Madam President, ladies and gentlemen, the Declaration of Principles for the transitional period and for the talks on Permanent Status was drawn up on the basis of a defined philosophy and clear political principles, particularly UN Security Council Resolutions 242 and 338 and their implementation, the territories in exchange for peace and a timetable for the negotiations on the permanent status. In addition, we also agreed to put the finishing touches to the stages of a gradual solution, starting with the withdrawal of Israeli forces from the West Bank and the Gaza Strip, at the same time as the gradual transfer of power and civil and security authority to the Palestinian Authority.

During this phase, presidential and legislative elections would take place in the West Bank, in the Gaza Strip and the Arabic city of Jerusalem, Al-Quds. Supposedly, by the end of this period, all the territories of the West Bank and the Gaza Strip would have been handed over to the Palestinian Authority, except for the issues of the negotiations on permanent status, namely: Jerusalem (Al-Quds), settlements, borders, refugees, relations with other neighbours, and one item added subsequently, water. This would be accompanied by the gradual establishment of a Palestinian administration provided with executive, legislative and legal bodies. All this was to be achieved in less than five years, by 4 May 1999, and to be crowned by the creation of an independent Palestinian State.

We accepted these accords and complied with their implementation, but unfortunately we encountered serious problems, and faced continuous attempts to break the agreements and to reject what had been agreed, and also non-compliance with the agreed schedule, particularly the third-phase troop redeployment, the withdrawal from the occupied territories and the release of all prisoners and detainees, which was supposed to be completed by the end of the interim period, on 4 May 1999. So many elements relating to the transitional period have still not been implemented, despite the long period of time which has elapsed, increasing the suffering of the Palestinian people and jeopardising the entire peace process.

Madam President, ladies and gentlemen, I belong to a generation which has lived through five devastating wars which have caused the deaths of tens of thousands of innocent people and have caused millions of people to be displaced far from their homes and their property. At the same time, I was a member of the generation of the Palestinian political leadership with an awareness of the values of the national struggle, without necessarily losing the ability to take on a good measure of courage, wisdom and objectivity, capable of looking for a permanent overall solution which would make it possible once and for all to put an end to murderous warfare and bloody conflict. I had the opportunity to lead negotiations with the Israeli Government over the last eight years, from the initial Oslo negotiations up to the Stockholm negotiations which prepared the way for the recent Camp David Summit, via the second Oslo negotiations, the economic negotiations in Paris and the negotiations preparatory to the Wye River agreement.

I have often expressed my pride in what I have achieved together with my colleagues, the Palestinian peacemakers, led by President Arafat, our wise and courageous leader, with faith in the cause of peace and its inevitable victory, despite the obstacles on the way and the faintness of the glimmer of hope. For several months we have been engaged in talks to establish permanent status, even before Israel has completed its commitments under the interim period. I must, however, express my feeling of regret and bitterness that the Israeli Government has not fulfilled the commitments undertaken for the interim period and that we have not yet concluded a permanent agreement. I am also very regretful and sorry that the Camp David Summit did not have a successful outcome, especially since it came eight months after strenuous negotiations in the region, but also in Stockholm, in Sweden, and in Washington, and followed the considerable efforts made by President Clinton and his colleagues.

I feel that I must outline the nature of the Camp David Summit talks and the attitudes which informed them. With the Israeli team, we agreed upon a number of general principles, which are as follows: firstly, these negotiations are based on Security Council Resolutions 242 and 338 and their terms; secondly, the key to the solution lies in agreement on a number of key issues: Jerusalem (Al-Quds), refugees, territory, frontiers, and security. Thirdly, we agreed that we would not postpone finding a solution to any of the key issues: there must be agreement on all the issues or there would be no agreement. Fourthly, agreement on each of the key issues, either in a framework agreement or in the definitive agreement, must include these three important principles: firstly, recognition of the principle, secondly, recognition of the mechanisms implementing the principle, thirdly, agreement on the time limit for the execution thereof. We also agreed upon the need to obtain international guarantees for the execution of terms and an international instrument for arbitration in the event of a dispute.

What were our positions? Although both parties, Palestinians and Israelis, made considerable efforts to reconcile their positions, both during the talks or during the Camp David Summit, I must regretfully inform you that there is still a great gulf and that it will still take a lot to bridge that gulf.

As far as Jerusalem is concerned, let me tell you briefly that the Palestinian position is based on the fact that Jerusalem is part of the Palestinian territory occupied in 1967. The same rules applied to the other Palestinian territories must also be applied to Jerusalem. Israel must recognise Palestinian sovereignty of Jerusalem and, in return, we are willing to discuss any Israeli concerns about the city, whether regarding Jerusalem as an open city, or about freedom of worship and freedom of movement within Jerusalem, or any other Israeli concerns.

The Israeli position, however, still continues to hinge on the following point: the unified Jerusalem is the capital of the State of Israel regardless of all the proposals which have been put forward. Let me now take this opportunity to inform you from the rostrum of the European Parliament that, although we cannot reach an agreement on the issue of Jerusalem, we Palestinians agree that both parts of Jerusalem, East and West, should be a unified Jerusalem, an international Jerusalem, and it should not be the capital of Israel and Palestine alone, but of the whole world. You will be aware that the United Nations Organisation, the Security Council, adopted Resolution 181 to make this holy city the city of the three monotheistic religions, the city of those that believe in one God, and decided that Jerusalem would be an international city which belonged to all the nations of the world. Moreover, I would say that if there is a great gulf between us, it is on the issue of Jerusalem.

On the subject of refugees, we consider, and I think you agree, that every person is entitled to return to their home and to their property. On that basis, we consider that any solution must involve Israel accepting its legal, moral and political responsibility for the emergence of the refugee problem. Otherwise, any solution would be truncated or incomplete. The Palestinian position in this respect is based on international resolutions on the right of Palestinian refugees to return to their homes and to their property, and their right to compensation in accordance with Resolution 194 of the General Assembly of the United Nations, and on the determination of procedures, obtained following agreements, enabling them to exercise their right to return. The Israeli position has moved away from the fundamental issue, refusing to discuss the principle of return or substituting proposals for solutions mentioning humanitarian operations limited to reuniting a few families or establishing an international compensation fund which Israel would participate in alongside other States. In the light of these differences, the gulf on this issue still remains, and it was not possible to bridge it during the Camp David Summit, or at the end of it.

On the issues of territories, borders and security, our position is that confirmed by resolutions with international legitimacy, based on the inadmissible nature of the occupation of alien territory by force. In addition, these resolutions call for the withdrawal of the Israeli occupation forces from Palestinian territory occupied since the June 1967 war, for the 4 June border effective before the outbreak of hostilities to be respected. This is the case with Egypt, Jordan and Lebanon. The issue has now been raised with regard to Syria.

We have also demonstrated our willingness to accept minor adjustments to borders, in the common interest, on condition that such changes are mutual in terms of value and surface area, and while stressing the international resolutions which stipulate that the activities of the Israeli settlements on Palestinian land are illegal. We have also stated that we wish to collaborate and cooperate with the Israelis in accepting the presence of international forces at borders in order to maintain peace and security, whereas the Israeli position, on the other hand, clings to the principle of annexation. Israel wishes to annex three major settlements in the north of the West Bank, as well as the settlements in Jerusalem and its surrounding areas, in the south and in the Jordan valley, as well as other territories which will be under Israeli control, and for a specific time at that, which will split the West Bank up and leave it under Israeli control, in the final analysis.

On another security issue, Israel would like to keep its forces in the Jordan valley, at borders and at the crossing points. This is a further factor in maintaining the division between the two parties on this subject. I should like to address my friend and colleague, Avraham Burg, to say that Israel was created on the basis of a Security Council resolution and not on the basis of a precept in the Torah. Consequently, if we do not respect international legitimacy, the international community will suffer from the failure of a solution to the Middle East conflict.

Ladies and gentlemen, the overwhelming majority of countries, including the European Union, have recognised the international resolutions that the Palestinian solution is based on. You will doubtless note that the Palestinian demands to arrive at a fair and lasting solution are not extremist or intransigent, as it has suited some people to claim. Our positions have actually been rather flexible. What we are claiming and what we are defending is no more than the very minimum of the national Palestinian rights that have been recognised, set out and consolidated by international resolutions. We are not asking any more than our right, but we are hoping that the decent people of the world will not give up on this either.

That it the situation up to and after Camp David. There is still this gulf, this gap, between us, but we promise you that we shall continue with the process regardless of the problems. Whatever the case, our strategy is peace and our objective is to work to achieve it. We do, however, want a peace that is just, and a peace that we can defend and safeguard, a lasting peace for our children, our grandchildren and all future generations.

At this time, speaking from the rostrum of the European Parliament, sharing our problems and our future prospects, we can only express our considerable appreciation for the Euro-Mediterranean cooperation which is starting to gain ground thanks to the consolidation of economic, social, political, cultural and parliamentary relations, with a view to responding to the interests of the nations of this region. We consider this collaboration, which benefits from your contribution, to be one of the main pillars of peace, stability and prosperity.

It is also our pleasure to express our high regard for Europe's political and economic support for the peace plan in the region in general, and for the Palestinian people in particular, and also our appreciation of Europe's increasing role in

consolidating world peace and pushing forward the peace process in our region and throughout the world. We sincerely hope that Europe will play an increasing part, an independent, effective, neutral and objective part. We are very appreciative, for example, of the position which the countries of the European Union adopted at the time of the Berlin Declaration in March 1999. Europe has always had an important role to play throughout the world. We welcome its involvement in the Middle East peace process. Having abandoned its colonial heritage, the unified Europe must now play a part which is in keeping with the tradition of its culture and civilisation, calling for the principles of freedom, emancipation and human rights in a free and independent country.

Madam President, in conclusion, from the rostrum of the European Parliament, let me address Mr Avraham Burg and, through him, the members of the Knesset, and the people and government of Israel, to tell them that one does not often have the opportunity to make peace and that it is an opportunity which must not, therefore, be missed. There is not such a great price to pay for peace, so let us pay it! We are talking about rights, justice, legitimacy and international law.

From this same rostrum, I turn to Mrs Fontaine, President of the European Parliament, and addressing all of you too, the nations and governments of Europe, I am asking you to lend us your assistance in establishing peace and respect for the foundations of the law, justice, legitimacy and international law. Only then will you be able to assess the situation.

From this rostrum, I would also like to address my own people, the Palestinian people, to say that peace is a great battle which awaits us. With patience we shall reach a successful conclusion. I am confident that, with your help, we shall reach a successful conclusion. I thank all of you, and let me convey the greetings of President Yasser Arafat, the Palestinian leadership and my fellow members of the Palestinian Legislative Council, and our hopes that we will continue to receive your assistance and your support.

*(Loud and sustained applause)*

2-217

**President.** – Thank you, Mr Ahmed Qurie, Speaker of the Palestinian Legislative Council,

*(Applause)*

for your compelling speech. I shall now give the floor to Mr Avraham Burg, Speaker of the Israeli Knesset. Mr Burg, you have the floor.

2-218

**Avraham Burg, Speaker of the Knesset.** – Madam President, Members of Parliament, Abu Ala, I am an optimist. I am not the kind of an optimist who, when once asked by somebody "are you an optimist or a pessimist", said "of course I am an optimist. Today is better than tomorrow". No, this is not the kind of optimism that I would like to share with you this morning. I would like to share with you a different kind of optimism, an optimism which says that tomorrow will be even better than today and today was a perfect morning.

On behalf of so many of us in the Middle East, especially so many of us in Israel, I should like to thank you for your efforts and the efforts of the entire distinguished gathering here this morning to push forward dialogue, understanding, and the process of listening to each other in the Middle East. Today we are here together sharing both sides of your chair – and, by the way, responding to your proposal to have a joint parliament in the Middle East. I have no problem with that, but would ask only one thing, namely that you should chair it. It would be a bit more complicated for us to run the show ourselves. Nevertheless the day will come.

A meeting such as the one we are having here on the very day that the leaders of our peoples are meeting each other again in the United States of America, trying to promote another step, one more centimetre towards a better future for our children, is a crucial moment. Not only do the leaders of our nations have the responsibility of making peace, but we, as elected representatives of our people, also bear the burden of responsibility for trying to enhance the people-to-people relationship in such a way that eventually, when peace is signed between the two sides, the people will be ready to accept the message. Therefore I am very happy to be here with you this morning.

More than this, for many of us in Israel, Europe is not just a continent. For many of us in Israel Europe is a value system. For many of us in Israel Europe is something wider than its worldly presence. Europe for us is democracy. Europe for us is enlightenment. Europe for us is parliamentarism. Europe for us is culture. Europe for us is social engineering, social responsibility and social sensitivities. Europe for us is responsibility for the environment. Europe for us is economy. So when we are negotiating peace in the Middle East, we feel every day that we are not just doing what is good for our people, but we try harder and double our efforts because we have a sense of responsibility to the extent that the stability of our region is the key to the stability of the rest of the world. What stands against this kind of dialogue is the worst sort of enemy we have ever witnessed. Against this kind of dialogue, with all the frustration, the caveats, possibilities, corruptions, paragraphs, and verses, etc, stands the enemy of peace, which is religious fundamentalism.

*(Applause)*

The Middle East is the key to the stability of the world. Will the stability of the world stem from the sovereign part of the former Soviet Union? Will it stem from Europe through the relationship between North Africa and southern Europe, eventually all Europe? Whatever happens in our little corner of the world – which is only 23 000 square kilometres, smaller than the Massif Central – will guarantee the future of the world. Will the Middle East be a black coalition of Khomeini mullahs in Iran, Shiites in Iraq, Muslim brothers in Jordan, Hezbollah in Lebanon, Hamas in the Occupied Territories and Islamic fundamentalist organisations in North Africa or will it be a coalition of peace, oriented towards Europe and Western civilisation, consisting of Egypt as the linchpin of the peace, Jordan, Palestine as a state – I will come back to that in a minute – the state of Israel, Syria, Lebanon, Turkey and the rest of the world? These are the two options of the Middle East, a black-oriented Middle East or a peace-oriented Middle East. Both of us, for all our disagreements, are fully committed to a peaceful Middle East for our own sake and the sake of our children and the rest of the world.

*(Applause)*

It is a very personal privilege for me to share this very important European podium this morning with Abu Ala. Look at this man. He was the architect of the Oslo Agreement. He is the man to whom my children and the children of his people owe so much on account of his courage, creativity, devotion and commitment to change the strategy of the Middle East from a strategy of conflict to a strategy of dialogue, understanding and acceptance of the other. I would like, Abu Ala, to tell you what I told you when you came as my guest to the Knesset, when I met you at my home – I hope that I shall not do you any political damage back home by mentioning these things – and in all other places where we have met, namely that the Middle East of our generation is privileged to have a great man like you leading your people.

*(Applause)*

I feel very pleased to be here with you this morning. After so many years when we Israelis felt that Europe did not fully understand us – and the other way around – I have the feeling that this is a different environment in which we are carrying on a dialogue.

Coming to this House after you passed the resolution on the memory of the Holocaust, first mooted in Stockholm and eventually embraced by the majority in this House; the kind of help you are giving openly and secretly, to Jews in need in distressed areas around the world; and of course your unequivocal commitment to peace encompassing various interpretations and schools of thought: all these things make me feel happy to be here this morning. When I am asked whether I am an optimist or a pessimist – well, of course I am an optimist because I prefer the frustrations of negotiation to the funerals of the wars.

*(Applause)*

Yes, we have frustration but it is a long way from the departure point. Look at history, look at the writing on the wall. In 1948 there were seven Arab parties engaged against the newly born state of Israel. In 1967 only three out of the seven – Egypt, Jordan and Syria – fought against us. In 1973 only two out of the three – Syria and Egypt – were against us. Now some 25 years later, we have peace with Egypt and are very close to peace with Syria. They say today the sun is rising in Syria. The Palestinians did not fight against us as a nation in 1948 or join the struggle against us as a belligerent in 1963, but all of a sudden – and unbelievably – we now find ourselves in the middle of negotiations. Thank God we are there. If I had told you ten years ago, before the Gulf War, that in the year 2000 the Speaker of the Palestinian Legislative Council would have a debate with the Speaker of the Israeli Knesset before the European Parliament, you would have said that it would never happen. What if I had told you five years ago that the President of the United States would come to celebrate Christmas 2000 in Bethlehem, accompanied by the Chairman of the Palestinian Authority, Mr Yasser Arafat, who would fly there in a Palestinian helicopter, and both would be protected by thousands of armed Palestinians? What if I had said that all this would happen only 300 metres from the southern part of Jerusalem? You would have told me that I was fantasising and it will never happen. But it will happen. And when we meet here again in five or ten years' time all the obstacles that today look like abysses that we cannot cross will be behind us. And this will happen because of this kind of partnership and because our people and their people in the Middle East understand where the modern world is going. It is moving towards acceptance, reconciliation and forgiveness for the past, whatever the past might have been. The negotiations today, difficult as they are, are very good negotiations. The situation is not easy and far from resolved, but nevertheless the world has changed.

All of us come from the political arena, and you know as well as I do that in politics there is no such thing as good timing. When you raise an issue and nothing happens, people say why raise it now, when nobody cares about it. At the height of a crisis they say why raise the issue at the height of a crisis, wait until it is over. Then, once it is over, everyone says "It is over – who cares about it?". The time is never right to do something. The Middle East has been no exception. There has always been an excuse not to raise an issue. For a long time the circumstances and the political environment were almost impossible. Now, all of a sudden, the world is not a bipolar world, and the Middle East is not being tugged apart by the

Soviet bloc and the Western bloc. We are more or less alone and talking to each other. All of a sudden the rhetoric is getting down to pragmatic solutions. A world of pragmatic solutions is not an easy one.

Because Abu Ala yes, international law is very important. People who are living in the family of nations live by the law. If they did not it would be a wilderness, a desert, chaos. Many of us – and I do not know all of you, but I know some of you – have deeply-felt value systems which are at least as deep as our commitment to law and understanding and humanity. Mine is my religious belief. Yes, I know it is an oxymoron. I am a rational individual who believes in God; do not ask me how. But this is what I have tried to do, in my commitment to this region of the world, to the monotheistic idea, to the dialogue between religions, all because sometime in history, the founding father of my nation, Abraham, after whom I am named, came up with the concept that there is one God. Thank God, this one God is represented by five parties in our Knesset today, but that is a different story.

*(Laughter)*

Therefore, when we are seeking practical political solutions, we have to understand that these are solutions for historical problems and people's faith and beliefs. It is not enough to say politically that it works when we have not prepared the spiritual background for acceptance of the compromises.

What do I mean? Practically, we have never been so close to each other, but what do we know about the icons, the symbols, the things that have been there for so many years? Abu Ala must come home, Yassar Arafat must come back home and say "I solved the problem of the refugees," and Ehud Barak must come back home and say "Yes, the problem of the refugees was solved, but not within the recognised international borders of the State of Israel". Yassar Arafat has to come home and say "I solved the problem of Jerusalem and we have a full presence and full sovereignty in Jerusalem". But on the other hand, no one can authorise Ehud Barak to compromise on King David's capital. How can he go home?

Therefore the problems are not just political but psychological as well. I would like to say something briefly about the way we see Jerusalem. I was born there, I studied there, my kids are there, I almost live there. I know and respect all the different beliefs and faiths of Jerusalem. I would be the last person in the world to belittle or disregard the holiness of Jerusalem for people of other faiths. It belongs to them with the same intensity that it belongs to me. I will defend till my last breath their right to worship.

I will defend all the rights of all these people to worship equally in Jerusalem, but I also demand from others no less respect for the holiness of Jerusalem for the millions of Jews who died and prayed and waited throughout 3,000 years of Jewish history. A peace formula has to be founded on the respect for the holy. I accept your beliefs, please accept mine. It is beyond politics or law, it is something deeper, something spiritual. Only this mutual respect will enable all of us to live as ordinary, honorary citizens in God's city on Earth.

I urge you Abu Ala, my friend, when you go back to your people tell them that Jerusalem is holy for the Muslims and Jerusalem is holy for the Christians, but it is no less holy for Jews. We need to find a political compromise but also a religious compromise.

*(Applause)*

I have a feeling that the challenge of Jerusalem is the biggest political challenge ever witnessed. Today I heard maybe the first ever official statement from a very high-ranking Palestinian delegate, saying that there is a possibility Jerusalem will not be the capital of the Palestinian State. It was a very interesting observation, as a fallback position I understand, and it is something that has to be studied. The late King Hussein, whose commitment to peace in the region no one would doubt, came up with a beautiful idea. He said that the problem of Jerusalem's sovereignty is almost insoluble; why not give the sovereignty of the city of God back to God? Between us we shall find enough practical solutions.

King Hussein's idea was presented to all our leaders and I am pleased to say that the sides have not rejected the idea. Let us explore it. We have a goal. We are going somewhere. I do not want peace in the Middle East to be a win-lose situation. Nor do I want me to win and him to lose. I do not want him to win and me to lose. I want it to be a win-win situation for both of us. I would like to see a Palestinian state declared on a basis of understanding and mutual acceptance and consent between the two sides, with Israel the first to recognise it in the international community.

That is what I wanted for many years before it became the official policy, not policy, the official mood in my country. I have no problem with the Palestinian state or Abu Ala. On the contrary, as soon as we have a Palestinian state, the dialogue between us will be a dialogue between equals. Any issues that are not resolved now, we can deal with later on and continue the dialogue between us. I know that many of the issues were resolved at Camp David but there are other issues that I hope we can solve. You raise the issue of refugees. It is not a unilateral issue. My mother was a refugee from Hebron. She was born some 80 years ago in Hebron and I am a Hebronite (that is not a compliment in the Middle East, it means a very stubborn, simple individual). Millions of Jews came from the Muslim countries in 1948, 1949, 1950 and up

to the 1960s and there are problems. But I will make a compromise with my dream because my land comes to me from the biblical promise and your land comes to you from a religious commitment and a national presence in the Holy Land of Israel. Your first territorial compromise is with your dreams, and my first territorial compromise is with my dreams on the understanding that anyone who claims that the greater Israel is his, cannot be the partner of Abu Ala and anyone who claims that the greater Palestine is his, cannot be a partner to Avraham Burg. Only if you and I compromise our dreams can we seek a compromise between the two nations and if we make this emotional compromise all the rest will follow in due course.

I would like to conclude by talking about the future. Yesterday we were enemies, today we are (almost) friends and tomorrow we will be partners. Personally, of course, I admire him, although he does not admire me and rightly so, but the two of us can play a role in the regions. However, we need help and mediation from the rest of the world. Today Europe and the rest of the world are dealing with the local impact of the global economy, narrowing the gap between the haves and the have-nots, creating opportunities for the have-nots. Israel has a relatively good economy. The Palestinians have not yet had the chance to develop their own independent economy. We would like to see Europe and the rest of the world helping both of us to improve the economic level of the region so that there is a balance between the two economies. This will prevent frustration in the relationship between the two states and the individuals within those societies will not despair and take refuge in religious fundamentalism. I believe that is a crucial strategic need in the region today.

One last word as to why I am an optimist. Coming from here, from Strasbourg, I have to tell my people how it was, I will tell you how it was. Eleven years ago I and my eldest son, who was then very young, were stuck in the middle of a traffic jam in Jerusalem because there was a bomb somewhere. They were talking about it on the news and my son who was very young then and so had no respect for his father, turned to me and said 'Daddy, are these the people you want to make peace with?', because at that time I was one of the leaders of the 'Peace Now' movement in Israel. I was lost for words, because how do you explain the complexities of these things to a seven or eight-year old boy? My father, who at the time was 80 years old, was in the back seat. In his 40 years as a member of the Knesset he served in every cabinet in Israel and he was the head of the Israeli-Egyptian team that negotiated autonomy for the Palestinians. My father was born in Dresden and lost his entire family in the Holocaust. He said to my son 'Listen, grandson, when I ran away from Germany forty years ago, I hated them. I could not believe that I would ever go back there. I could not believe that I would ever forgive them, but now I have forgiven them. Now Germany is different, the people are different, there is a powerful message of soul-searching, correcting the past and doing better for the future coming out of Germany'. Then he said to him 'If this can happen between us and our worst ever enemy, there is no reason in the world why it should not happen between you and the Palestinians in your generation because the rivalry is not that deep.' My father passed away last year, but his wisdom is almost prophetic. It is with me day in and day out and I believe there will be peace, not in my son's generation but in the generation of Abu Ala and myself: a permanent, solid, good peace for the betterment of the world.

*(Loud and sustained applause)*

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**President.** – Ladies and gentlemen, it is my sincere opinion that we have just witnessed a very moving moment that will, perhaps, one day be seen as a historic moment. There is not a great deal more that I wish to say. I should just like to thank our friends for both having opened their hearts to us, each in his own way, Mr Abu Ala with his determined realism and Mr Avraham Burg with his infectious enthusiasm. You have told us clearly and frankly of your hopes. You have also given us your analysis of the problems which remain. Mr Abu Ala reminded us of the gulf that remained, but Mr Avraham Burg also said that he preferred the frustrations of negotiation to the atrocities of war. This is something we have taken on board.

We have had confirmation, as if indeed it were necessary, that both of you are men of dialogue and that you are also good friends – and this is something I think is very important – and leaders who are determined and passionate to achieve this peace which can only be achieved with your help and between you, this peace which both your nations are waiting for, and which we too are waiting for.

I must thank you, too, for outlining the possible avenues regarding the extremely sensitive matter of Jerusalem. Mr Abu Ala, you put forward the idea of according Jerusalem international status, and Mr Avraham Burg, you mentioned the idea of restoring the sovereignty of Jerusalem to God. These are all, of course, avenues which we have considered with great interest. I think the main thing right now is to acknowledge that various avenues are open. The European Parliament has always considered that Jerusalem's definitive status should be internationally recognised.

I shall take the liberty, in conclusion, of referring to an episode from a book which I have been reading by Uri Savir, the chief Israeli negotiator in Oslo. When he met you, the Norwegian negotiators introduced you as 'enemy number one', and yet after the very tough negotiations, you went to visit him in Tel Aviv, and you went for a walk on the sea front, he says, away from all the media pressure, and, ahead of the thinking of the time, discussed how, after the historic breakthrough in Oslo, you might establish a sustainable and equitable peace, as you have said.

The time for that has come. You have clearly understood that you will have the European Parliament at your side, and that is why you are here today. Believe me, the European Parliament will spare no effort both as a whole and, more particularly, through its three interparliamentary delegations – the delegation for Israel, chaired by Mr Gerardo Galeote Quecedo, the delegation for the Palestinian Legislative Council, chaired by Mrs Morgantini, and the delegation for the Mashreq Countries and the Gulf States, chaired by Mr Michel Dary – to offer you our most active assistance, particularly, moreover, in developing Euro-Mediterranean dialogue, which we hold to be an essential complement to the enlargement of the European Union to Eastern and Central Europe. So, my dear friends, in conclusion, may I simply wish you Shalom and Salaam!

*(Loud applause)*

*(The formal sitting was closed at 12.55 p.m.)*