

1-001

## SITTING OF MONDAY, 10 DECEMBER 2001

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1-002

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

*(The sitting was opened at 5 p.m.)*

1-003

### Resumption of the session

1-004

**President.** – I declare resumed the session of the European Parliament adjourned on Thursday 29 November 2001.

1-005

### Approval of the Minutes of the previous sitting

1-006

**President.** – The Minutes of Thursday 29 November have been distributed.

Are there any comments?

1-007

**Wynn (PSE).** – Madam President, this concerns the Fiori report which we voted on in Brussels last time. I have to say that this was Parliament at its worst. We had a temporary committee which met for ten months to discuss an issue that could have been discussed within the existing committees. Firstly, it was an abuse of the temporary committee status – Parliament is very fortunate to have this privilege, and I do not think that we should abuse it, especially in the way it was abused with that vote and the final outcome.

As chairman of the Committee on Budgets, I would dearly love to know the cost of that temporary committee for an outcome that had nothing at the end of it. I would hope that, if we have temporary committees in future, they will deal with subjects outside the normal committee structure.

If we have enquiries in the future, let us try to carry them out within the budget and not give rise to excess expenditure.

*(Applause)*

1-008

**President.** – Mr Wynn, I can assure you that you will receive an answer very soon.

1-009

*(The Minutes of the previous sitting were approved)<sup>1</sup>*

1-010

### Order of business

1-011

**President.** – The next item is the final draft agenda as drawn up at the Conference of Presidents pursuant to Rule 110 of the Rules of Procedure.

1-012

*Regarding Tuesday*

**President.** – I have received a request from two groups, namely the Group of the Party of European Socialists and the Group of the European Liberal, Democrat and Reform Party concerning the Council and Commission statements on the WTO meeting in Qatar. The groups have asked for the debate to be followed by a vote for a resolution.

Is there a speaker to move this request?

1-013

**Van den Berg (PSE).** – *(NL)* Madam President, the Commissioner probably gave us more than we already formally have in the extremely important negotiations which were preceded by many debates here in this Parliament, and were followed by a resolution which we presented to the Commission, to which the Commissioner made reference during the negotiations

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<sup>1</sup> *Membership of Parliament – Communication of common positions of the Council – Documents received – Authorisation to draw up own-initiative reports – Transfer of appropriations – Petitions: see Minutes.*

at every opportunity and stated: “in the final analysis, I need the majority and support of the European Parliament”. And we would now decide to hold a debate without a final say from us? I cannot really imagine this. I would also like to call on the fellow MEPs from the other parties, irrespective of the content of their opinions, to conclude this debate with a political verdict. We owe it to the Commission and to the dignity of this House. Since the negotiations are of such significance, we must really employ our full powers and reach a verdict.

1-014

**Lannoye (Verts/ALE).** – (FR) Madam President, I do not think that anyone here will deny that the Doha Summit was an important political event, both for the European Union and for the whole world. I believe that it is equally important to carefully analyse the outcome of the summit and the decisions that were taken there. Rather than running the risk of adopting a superficial position, Parliament can simply publish a few brief considerations. However, I think that it is too early to carry out a serious political assessment, which is in fact what is expected of a parliament. I believe that we must wait and not vote for a resolution this week.

1-015

**President.** – I shall now put the request to the vote.

*(Parliament gave its assent)*

Still with regard to Tuesday, I have received a request from Mr Westendorp to postpone the vote on telecommunications until Wednesday.

1-016

**Westendorp y Cabeza (PSE).** – (ES) Madam President, with regard to the telecommunications package which we are going to vote on – tomorrow, in principle – I would like to ask that the vote be delayed until Wednesday. We have just held a meeting with the Council and the Commission and they advise us that, so that the various groups may have time to examine the compromise proposals, that vote should be held a day later.

1-017

*(Parliament gave its assent)*

*Regarding Wednesday*

1-018

**Beazley (PPE-DE).** – Madam President, on Wednesday's draft agenda there is a joint debate on the Middle East at 3 p.m. It might be helpful for colleagues if in advance of that debate, in which there will be a great deal of interest, Parliament's services would consider reprinting copies of the joint address to this House by the Speaker of the Knesset and the Speaker of the Palestinian Legislative Council. The message delivered on that occasion might shed some light in our current darkness.

1-019

**President.** – Mr Beazley, I believe you are referring to the speeches that Mr Avraham Burg and Mr Abu Ala gave to Parliament. These speeches are available to all Members who wish to refer to them. I do not think we need to resend them. They can be consulted without difficulty. Nevertheless, I think that your suggestion is a very interesting one.

*Regarding Thursday*

With regard to ‘Human rights’, item 3 under the topical and urgent subjects of major importance, the Confederal Group of the European United Left – Nordic Green Left have asked for the third heading ‘Sulawesi’ to be replaced by a new heading ‘Immigration tragedy in Ireland’.

1-020

**Barón Crespo (PSE).** – (ES) Madam President, on the list of urgent topics relating to human rights, there is one on Irian Jaya and another on Sulawesi. Both islands are part of one country, Indonesia. I propose that they be combined under one title, ‘Indonesia’, and that the situation of both islands be dealt with under that title, and we would thereby have time to deal with the tragic situation in Ireland.

1-021

**President.** – Of course, Mr Barón Crespo, I think that this is a very good suggestion. The suggestion is to add a new heading, instead of removing one, and to deal with the two existing headings together. We shall therefore take the vote on the request to add a new heading ‘Immigration tragedy in Ireland’.

*(Parliament gave its assent)*

The order of business is thus established.<sup>2</sup>

<sup>2</sup> Agenda for sitting of 17 December 2001 – Request to apply urgent procedure: see Minutes.

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**Speeches on points of order**

1-022

**Stevenson (PPE-DE).** – I wish to make a point of order to draw the attention of this House to the grave discourtesy and disrespect shown to it by a member of the Belgian presidency. I refer to Mrs Magda Aelvoet, Minister for Consumer Protection, Public Health and the Environment in the Federal Parliament of Belgium. I wrote to Mrs Aelvoet on 13 June 2001 – and that letter was signed by 20 Members of this House – requesting a meeting with her to raise the question of the fraudulent importation of cat and dog fur products into the EU from Asia and China. We received no reply to that letter.

I wrote again on 12 July 2001 and received no reply. Mrs Aelvoet came here to Strasbourg on 12 September 2001 to address an intergroup meeting on animal welfare. I raised this issue with her: she said that she had written to me and had extended an invitation to the MEPs who had signed the letter with me to come and meet her in Brussels. When I returned to Brussels, there was no sign of this letter. I wrote for a third time to Mrs Aelvoet requesting the letter and have received no reply.

Three times I have followed up with telephone calls and again received no reply. I find this a grave discourtesy to the Members of this House who signed that letter and I also find it astonishing that a minister in the EU presidency should come before a packed meeting of an intergroup and say that she has written to me when she knew full well that this was a lie and no letter had been sent.

I hope, therefore, Madam President that you will confirm, on behalf of this House, that this sort of behaviour by a minister in the presidency is gravely discourteous and not going to be tolerated in future.

*(Applause)*

1-023

**President.** – Mr Stevenson, we shall certainly take note of your complaint.

1-024

**Bradburn (PPE-DE).** – Madam President, like Mr Stevenson I want to raise a point of order with regard to a matter of discourtesy to this House. Some months ago I wrote to the President of the Commission asking a formal written question, as I am entitled to do as a Member. I received a reply which said: 'the research needed in order to provide a detailed response would be out of all proportion to the result desired and exceed the requirements of a response to a written question.' That is a gross discourtesy to any Member asking a question of a body, which is supposed to be, there to serve and to be transparent in response to requests for information. If that were the sort of response a minister in the British Government gave to a member of the British House of Commons, he would deservedly be pilloried in that House.

I expect better from the President of the Commission. I wish to say, on behalf of this House, that when a Member asks a perfectly legitimate question I expect that question to be answered to the fullest extent. We should not just be given an excuse and some sort of non-answer. I would like to remind the President of the Commission of his pledges to provide transparency and openness in terms of information to this House.

1-025

**President.** – Of course, Mr Bradburn, I wholeheartedly agree with you.

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1-026

**Barón Crespo (PSE).** – *(ES)* Madam President, I had announced that I wanted to make a statement on behalf of the Socialist Group with regard to the constitutional crisis in the European Union following the last meeting of the Council of Justice and Interior Ministers last week. My statement is as follows:

I would like to express our concern about the grave situation which has arisen in view of the Laeken Summit, because, by supporting the report by Mrs Reding, of the PPE-DE, and the report by Mr Watson, a Liberal, which was widely supported by the European Parliament, this House has defined a clear approach in the fight against terrorism.

Since 11 September, the European Council, on two occasions, in Brussels and in Ghent, has maintained the same approach, without reservations from any Head of State or Government.

The European Parliament has dealt with the Commission's two proposals by means of an urgency procedure, with huge support at the last part-session in Brussels. Today, Parliament is going to be consulted once again and we are in a situation

where one government, the Italian government, is refusing to accept something which is clear to all the institutions of the European Union.

Madam President, I would like you to express, on behalf of my group, firstly our support for the President of the European Council, Mr Verhofstadt, who will go to Rome tomorrow to try to resolve this unacceptable situation; secondly, to express our support for the Commission, which has exercised its right to initiative responsibly and with a sense of duty. Finally, I would also like you to strongly protest, on behalf of Parliament, at the unacceptable statements, delivered in coarse and rude language, made at the weekend by a former colleague of ours, now an Italian Government Minister, Mr Bossi, which would make Mr Haider green with envy.

This is a very important issue, on which we are all united. If we cannot move ahead as fifteen, we will do so as fourteen, but we must combat terrorism on all fronts, and one of them is corruption and the recycling and laundering of money.

*(Applause from the left)*

1-027

**Watson (ELDR).** – I certainly share the concern that Enrique Barón Crespo has raised at the failure of the Justice and Home Affairs ministers to reach agreement on the proposal for a European arrest warrant. I note, however that, in addition to Mr Verhofstadt's planned visit to Rome, there will be an extraordinary meeting of the Justice and Home Affairs ministers on Thursday of this week. It must be hoped that agreement can be reached on that occasion.

The House anticipated that an agreement might not be reached and recommended at least consideration of the use of Article 40 of the Treaty which would allow a number of countries to proceed on the basis of reinforced cooperation. Nobody wants that solution; it must be hoped that we can reach agreement between 15, but, one country must not be allowed to hold up progress in the fight against terrorism called for by the Heads of State and Government in Ghent.

*(Applause from the left and the centre)*

1-028

**Lisi (PPE-DE).** – *(IT)* Madam President, I cannot remain silent for Mr Barón Crespo has, of course, made the most of the opportunity to transform what might actually be well-founded comments into a crusade, which has been on the march ever since the Italian people, of their own free will, elected a new government. Mr Barón Crespo just will not accept this, and the sooner he does the better. I want all the Members who are protesting to understand this too: democracy is this, ladies and gentlemen; every people chooses its government freely and willingly.

More specifically, I would stress the absolute falsehood of what Mr Barón Crespo has said. The government and the Italian people are more committed to combating terrorism than anyone. The government and the Italian people have paid the price of terrorist attacks in recent years and have always been in the front line. It is silly to confuse the issue. There is no point in trying to put everything under one roof. We are discussing the possibility of extending the European arrest warrant and it is on this, the extension of the warrant to other offences not initially covered, that we are attempting – and we are confident that agreement will be reached – to find a way of accommodating the different legal traditions and the different legislative frameworks of each country, so that we can be sure that the decisions we take to address the current critical situation of terrorism will also provide us with a properly harmonised Community legislative framework.

This, then is the issue, this and no other. Anyone who wants to exploit the tragic events of 11 September to continue with this mad campaign against a legitimately elected government will certainly not find support. I will end by suggesting that Mr Barón Crespo reserve his enthusiasm for more justified causes, and that he stop trying to mislead us by confusing the issues on the table.

*(Applause from the right)*

1-029

**Poettering (PPE-DE).** – *(DE)* Madam President, ladies and gentlemen, Mr Barón Crespo's comments demand a response. On behalf of the Group of the European People's Party (Christian Democrats) and European Democrats, I would like to say that we expect that the Italian government, in which we have the greatest confidence, will help to ensure that we can finally reach an agreement. We regard the fight against terrorism as a priority, and this is an issue on which there should not be any differences between the party-political families.

However, Mr Barón Crespo, I also believe this not an issue that should be the subject of party-political controversy, and we also know – please listen to what I am saying, I am trying to be very objective – that no result has been achieved on the party statute. You also know that it was not those of my own political persuasion who contributed to this failure. I would ask you, just as you are critical in other cases, to be critical of your own party when results are not forthcoming, as in the case of the party statute. Your credibility would be greater if you applied the same yardsticks right across the political spectrum.

*(Applause from the right)*

1-030

**Schulz (PSE).** – *(DE)* Madam President, I think it is pretty rich to compare the European arrest warrant with a party statute. However, there are, of course, parties – particularly in Germany – where there is a close link between arrest warrants and their party statute.

*(Applause and laughter)*

I would just like to say one thing to Mr Lisi: the entire ‘Forza Italia’ delegation has, at all the hearings on the Commission's proposals that have taken place in this House up to now, agreed to all the European Parliament's opinions. So I wonder why the Italian Prime Minister, who comes from the same party as Mr Lisi – who incidentally approved all this himself – is now instructing his Minister for the Interior to veto offences which we all agreed should be prosecuted at European level.

I wonder if this could possibly have something to do with party politics, but not the issue that Mr Barón Crespo has rightly raised here.

*(Applause)*

1-031

**Buitenweg (Verts/ALE).** – *(NL)* Madam President, the great majority of my group have voted against the Watson report on the European arrest warrant. However, our motives were very different from those of Mr Berlusconi, and that is why I should like to make this contribution, mainly to avoid being tarred with the same brush. In principle, the Group of the Greens are in favour of a European arrest warrant, but only after a number of minimum standards have been put in place in the field of law of criminal procedure, for example with regard to legal aid or to criminal investigation methods. The rationale underlying a European arrest warrant is that all legal systems are more or less the same, and that it really does not matter in which country one is sentenced. That is not yet the case at the moment. If these systems were alike, it would not be so difficult to establish these minimum standards.

I know that sooner or later, everyone will support these minimum standards, but our group has made them a condition for a European arrest warrant. As such, this is absolutely and fundamentally a different viewpoint from that adopted by Mr Berlusconi, and it should not be confused with his. Neither should it be confused with a kind of anti-European sentiment. We are in favour of a European arrest warrant, but only when this condition has been met.

1-032

**Leinen (PSE).** – *(DE)* Madam President, Mr Poettering, you just mentioned the European party statute in connection with the European arrest warrant. The only real connection is that they are both things we consider to be desirable. However, I do not quite understand your criticism of my group. You were talking as if it was my group's fault that nothing has happened so far. As I understand it, the situation was rather different. There were governments that wanted parties existing in only two countries to be granted this status. Surely that cannot be so, the European party statute cannot be a way of providing back-door finance to national or regional parties. I just wanted to establish that point so that no false impressions arise or misleading discussions take place.

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1-033

**Karamanou (PSE).** – *(EL)* Madam President, I should like to change the subject and get us off this tack.

Today is International Human Rights Day and I wish to express my distress and horror at the tragic death of the eight refugees, including three children, who suffocated in a container in southern Ireland. Eight dead refugees who were the victims not so much of the traffickers, as the authorities hastened to assure us, but of European indifference and a global system which allows and encourages the free movement of heads, but not the free movement of people, of a system which condemns two thirds of the people on this planet to live in conditions of unbelievable poverty.

The European Parliament cannot stand by impassively in the face of the present-day refugee tragedy, nor can we feel safe in fortress Europe surrounded by such human misery and such a huge development divide.

I think it is a very good sign that we shall be debating the question of refugees and immigrants during the urgent debate on Thursday, and I would be most obliged, Madam President, if you would convey these views to the Council in Laeken.

1-034

**De Rossa (PSE).** – I wish to raise also the discovery of eight people dead in a container of furniture in County Wexford over the weekend. The dead included a four-year old boy, a ten-year old girl and a sixteen-year old boy. There were three

adults found dead also – two men and a woman – and there are five survivors. It appears that, so far as we understand it, about 11 of these people came from Turkey, one from Albania and one from Algeria.

It seems to me quite appalling that we have a situation in Europe where people are so desperate that they have to put themselves into the hands of criminals in order to try and find a new life in Europe. We have done something serious about dealing with the criminals on the one hand and with our approach to immigration on the other. We cannot continue to allow the situation where people are so desperate that they will do anything and even put themselves and their children at risk in order to find a new life.

I would ask those in this House who are supporting Mr Berlusconi in opposing the European arrest warrant to ask themselves why are they supporting a situation where the criminals who put these people into this container will escape the justice which needs to be meted out to them? Could I also ask, Madam President...

*(The President cut off the speaker.)*

1-035

**Auroi (Verts/ALE).** – *(FR)* Madam President, I am going to make a very simple proposal relating to International Human Rights Day.

Given that eight people recently lost their lives in tragic circumstances and that you, Madam President, often invite us to show our respect for those who are victims of violence by observing a minute's silence, we should, naturally, observe a minute's silence tomorrow morning at the opening of the sitting, for the eight people who recently died at the hands of evil traffickers.

1-036

**McKenna (Verts/ALE).** – Madam President, I hope that the new President will treat all Members equally. I have been indicating for quite some time – well before many people who have already spoken – that I want to make a point of order.

I have two points. The first is in relation to Mr Stevenson's attack on a Belgian minister who is not here to defend herself. A personal and vitriolic attack like that is unjustified when the person is not present. Secondly, in relation to what has happened in Ireland this weekend, it is only proper that we should have a debate on this. People are focusing on the wrong aspect. It is quite clear that the fortress mentality of Europe is what is causing people to put their lives at risk, by trusting people who are trying to make a profit. We need to open up the borders instead of encouraging this kind of fortress mentality. That is the only way we are going to ensure that people do not lose their lives in such a tragic way. Dover and Wexford are only two examples of what is to come.

Finally, I am very disappointed that some of my fellow Irish Members in this House did not feel that they could support this being discussed in Parliament. That is a tragedy, considering that it happened in their own constituency.

1-037

**Fitzsimons (UEN).** – Madam President, I rise to support the remarks of Mr de Rossa and Mrs McKenna with regard to the horrific situation and tragedy in Wexford, Ireland. The Irish Government has already expressed its sentiments in this regard and will be taking appropriate action. I support you also, Madam President, in making space on Thursday's agenda for a debate on this tragedy.

1-038

**President.** – Certainly, Mr Fitzsimons. As you know, Parliament has decided to include this issue in the debate on topical questions to be held on Thursday.

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1-039

**Lynne (ELDR).** – Madam President, at the last part-session in Brussels you very kindly said that you would write to the Greek authorities about the 12 British and two Dutch plane spotters who were arrested. I was wondering whether you have had any reply to that letter. My constituent Wayne Groves is still in prison after nearly five weeks with no charge and no trial. I believe it is against the European Convention on Human Rights. I should like to know whether there is anything further you can do on their behalf and whether you have had that reply.

1-040

**President.** – Yes, Mrs Lynne, I have received a reply from Mr Papandreou, the Greek Foreign Affairs Minister, which I shall send on to you and to all Members as soon as possible, as this reply is open to public scrutiny. As you will see, the letter does not, unfortunately, give an entirely satisfactory response regarding the people who are being detained.

1-041

**Manders (ELDR).** – *(NL)* Madam President, I should like to endorse Mrs Lynne's point of order, but I should like to ask you to re-establish contact, and I should also like to call on my fellow Greek MEPs to ensure that these spotters, who have

now spent nearly five weeks in a Greek prison for indulging in their pastime, can be brought to court before next Friday, because procedures will otherwise be delayed by a three-week break and these young men, these spotters who were enjoying their pastime, would then be locked up seven or eight weeks without being brought before the law. I would therefore ask you and my fellow Greek MEPs kindly to exert some political pressure to ensure that these spotters can have a court hearing before next Friday.

1-042

**Perry (PPE-DE).** – Madam President, I would like to endorse the point made by Mrs Lynne. Today is Human Rights Day and yet there are 12 European citizens in prison in Greece without trial. Members opposite have been raising the issue of the European arrest warrant – this incident shows precisely why Members on this side of the House have concerns about a European arrest warrant. British citizens engaged in the harmless pursuit of plane-spotting find themselves in prison in Greece without trial.

I really look forward to seeing the reply you have received, which you described as unsatisfactory, and hope you will respond in very robust terms to the Greek Government. They must not be allowed to keep European citizens in prison without trial.

1-043

**President.** – Unfortunately, Mr Perry, the reply was unsatisfactory, as I just said. Mr Papandreou's reply was as follows: 'I have made known the interest that the Foreign Affairs Ministry is taking in the matter. Nevertheless, as you can understand, the executive power cannot possibly intervene in any way in the workings and the independence of the judiciary.' I shall, of course, see what action I can take in this matter. But unfortunately the response is, for the time being, negative.

1-044

**Souladakis (PSE).** – (*EL*) Madam President, I should like to comment on the positions taken by the honourable Members in connection with the arrest of a number of Britons in Greece and, first, to assure them that, as Members of Parliament, we have no way of influencing the independence of the Greek judiciary, and rightly so, nor do I believe that you are able to influence the judiciary in your countries.

Secondly, you must know, as we said during the last debate in Brussels, that the acts for which they were arrested, at least as they have been reported in the press, are acts for which they would have been arrested in any one of the fifteen Member States of the European Union.

So we would be well advised to respect the institutions on the basis of which the fifteen Member States work together, to respect the independence of the judiciary and to respect the laws which apply in the fifteen Member States. Let us be clear on one thing: there are fifteen countries here, represented by numerous parties and numerous persuasions, all are equal and of equal value, and no one has the right to tell other countries how to act, as if they were countries which did not belong to Europe.

1-045

**Howitt (PSE).** – I should like to thank you, Madam President, for writing a letter to the Greek authorities about the plane spotters, and for what you said today. It is particularly important that you do this on behalf of the whole European Parliament and as you represent a Member State that is not involved on either side. You said you would reflect on further action you would take. Could I ask when you will report back to the plenary on that?

I should also like to thank Mr Souladakis for what he said. I believe that there is a common understanding here of the necessity to observe human rights and of the need for cooperation between our two states in the European Union, as well as for respect for the independence of the judiciary. Through you, Madam President, perhaps I can appeal to all the Greek Members of this House to see whether we can produce some form of joint statement in support of those principles which might advance understanding and lead to a quicker resolution of this issue for the 12 individuals involved.

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1-046

**Bautista Ojeda (Verts/ALE).** – (*ES*) Madam President, as you are well aware, the situation caused by ETA's terrorism in Spain is horrendous, and I would like to take this opportunity to thank you for your work during your Presidency. I would like to say once again that I totally reject ETA and all those who support it or apologise for it.

Madam President, both myself and my party have been seriously slandered in some sections of the Spanish media, since, through illness, I was not able to attend the last part-session in Brussels, where a debate and a vote were held on Mr Watson's report, which I fully supported through various press releases which were sent to all the Spanish media 24 hours before the debate and the vote, and which were systematically hushed up.

For all these reasons, Madam President, I would ask for your support in this situation in which I have been unable to defend myself. To this end, since my position and that of my party was clear, public and expressed prior to the vote, I would like to ask you formally that my vote in favour of the Watson report and Amendments Nos 117 and 118 be registered, as that is how I would have voted had I been present. Furthermore, I would point out that the inclusion of my vote would not significantly alter the final result of the vote.

Finally, I would like to publicly thank the Efe Agency, the only one to express the truth in its communications. We will always support the defence of life and the most fundamental rights and we will always be against murderers and those who justify and support them.

1-047

**Gorostiaga Atxalandabaso (NI).** – Madam President, today we are commemorating International Human Rights Day. By coincidence, this week's agenda features a joint debate on the area of freedom, security and justice, requiring straightforward involvement by Parliament on human rights.

At the beginning of this year, I denounced in this House the pardon of 15 torturers by the Spanish Government, as this means that torture will continue to be frequently practised by the Spanish police. Three months afterwards, a young woman, Iratxe Sorzabal,

*(The speaker brandished a poster)*

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was sexually humiliated and subjected to torture sessions for hours from the moment of her arrest. These photos were taken in the hospital and show the marks ...

*(The President cut off the speaker)*

1-048

**Krivine (GUE/NGL).** – *(FR)* Madam President, on Wednesday, we are going to debate an item on cooperation between the European Union and the United States in the fight against terrorism. However, we discovered – on the Internet, in fact – that this debate is going to be based on an exchange of letters between a representative of Mr Bush – a Mr Forster, I believe – and Mr Prodi. Parliament does not have a copy of these letters, although we can read them on the Internet, in which the United States government demands Europe take forty or so measures to cooperate with the fight against terrorism.

It also appears – we can only say ‘it appears’ as we have no documents to refer to – that Mr Prodi sent a reply to the United States government at the end of November. I think that, for this slightly rushed debate to be held in more favourable conditions – the debate is, however, scheduled for Wednesday – it would be helpful for Parliament to obtain a copy of the letter that the United States government sent to Mr Prodi and Mr Prodi's reply. That is the request I would like to make.

1-049

**President.** – Of course, Mr Krivine, we shall try to follow this up as soon as possible.

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1-050

**Foster (PPE-DE).** – Madam President, this point may be of some interest to the House. Honourable Members may recall voting in the mini-part-session on the Foster report on common rules in the field of civil aviation security. This report had to be brought forward very quickly in the light of the events of 11 September. We were then awaiting the response from the Transport Council meeting last Friday and everyone hoped that a common position would be reached. I should like to inform the House that the Transport Council and Member States did not reach a common position, despite urgent appeals from all sides on the desperate need for these measures and despite the fact that this Parliament had bent over backwards to do its very best in a very short period of time.

The behaviour of the Member States and the Council in all of this has been quite appalling. This is probably one of the most important measures that has come through since 11 September and it would have affected 38 European countries. I will keep this House informed as to progress but I would like you, Madam President, to pass on our comments to the presidency.

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1-051



**Zacharakis (PPE-DE).** – (*FR*) I would like to draw your attention, Madam President, and that of Parliament, to the unacceptable and discriminatory behaviour of the Albanian authorities towards the Greek minority in the town of Chimara particularly, where, last week, special police forces demolished buildings, physically abused members of that minority, to whom the buildings belonged, even women and children. The buildings included the minority's administrative headquarters, the infants' school and several shops, which, on the pretext that they had been poorly constructed, were destroyed by bulldozers on the instructions of the town's mayor, whose election, it must be stressed, was not recognised as legitimate by Council of Europe observers. Madam President, I think that Parliament should take on board these extremely regrettable actions when preparing for the forthcoming negotiations on the Stabilisation and Association Agreement between the European Union and Albania. Thank you.

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1-052

**Fatuzzo (PPE-DE).** – (*IT*) Madam President, are we, the Members of the European Parliament, all fraudsters? Are we all thieves? Are we all idlers? Are we timewasters who do nothing from morning to night and spend our time enjoying ourselves and getting rich? I do not think so. Yet that is what is stated in a book by an Italian journalist, Mario Giordano, entitled 'L'Unione fa la truffa' [The Union is a swindler]. The title says it all. This journalist is also, I regret to say, the director of a major Italian television company. The book, which I found in a bookshop in Rome – where I had gone to meet my mother and sister as I often do – filled me with horror and sent shivers down my spine, for it describes all of us Members of Parliament as idlers who do nothing but plot frauds and robberies. Madam President, please would you examine this book and instigate legal proceedings for libel against Mario Giordano, who, it pains me to admit, is Italian.

1-053

**President.** – Thank you, Mr Fatuzzo, for this information. I can assure you that we shall take a close look at this book and see what can be done to restore our reputation.

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1-054

**Korakas (GUE/NGL).** – (*EL*) Madam President, I wish to draw the House's attention to the vigorous protests and exasperation of Greek farmers, who are again involved in mass dynamic demonstrations against the anti-farming policy of the European Union, which is turning them off their land, ruining them and forcing them to abandon the countryside.

Our farmers are fighting against the policy of quotas which limits dynamic arable farming, even of products in which the European Union and Greece are nowhere near self-sufficient, such as oil, tobacco and cotton, for which the Council even ignored a resolution by the European Parliament calling for a 50% increase in quotas.

Our farmers are fighting against their exploitation by the processing industry, which snaps up their produce at derisory prices. Hundreds of thousands have already abandoned farming and joined the ranks of the unemployed. They are calling for quotas to be abolished, at least for products in which the European Union is not self-sufficient. They are protesting about policy to date. They are calling for infrastructure projects, such as irrigation works. They are calling for producer prices which cover the cost of production and afford them a profit.

Madam President, we are at their side in their just fight for survival with all the means at our disposal, even if their fight qualifies as terrorism as defined recently by the Ministers of Justice of the European Union, a definition which we fear will also be adopted by the Laeken Summit.

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1-055

**Kinnock, Glenys (PSE).** – Madam President, ten years ago this week, our Sakharov prize winner, Aung San Suu Kyi, was awarded the Nobel Peace Prize. This Saturday, all living Laureates will go to Oslo to commemorate 100 years of the Nobel Peace Prize – she will not be there. She has been kept under house arrest since September 2000 and has not been allowed to move about freely for 13 years. Will you please, Madam President, send her a message of support from this Parliament and also urge the Norwegian Nobel Institute to express their deep concern about the fact that she is not able to join them on Saturday in Oslo. Would you also ask the Nobel Institute to urge the military junta in Rangoon, Burma, to give Aung San Suu Kyi her freedom forthwith.

(*Applause*)

1-056

**President.** – Mrs Kinnock, I am, of course, very willing to take this step, but I think that it will be even more effective after the debate, which is on the agenda under the item on human rights, has been held on Thursday. Once we have held the debate, I shall be able to inform the Institute of the position that the European Parliament has clearly adopted.

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1-057

**President.** – I would like to inform you that, at the request of several groups, we will be holding a brief but intense commemoration tomorrow to mark the events of 11 September. The commemoration will take place in the House, just before the address by the President of South Korea, in other words at approximately 11.50 a.m.

1-058

### European Food Authority

1-059

**President.** – The next item is the recommendation for second reading (A5-0416/2001), by Mr Whitehead, on behalf of the Committee on the Environment, Public Health and Consumer Policy, on the Council common position for adopting a European Parliament and Council regulation laying down the general principles and requirements of food law, establishing the European Food Authority and laying down procedures in matters of food safety (1088/1/2001 – C5-0414/2001 – 2000/0286(COD))

1-060

**Whitehead (PSE), rapporteur.** – Madam President, today's debate is the culmination of a long process which began in the days of the BSE epidemic. It is in a sense a proposal that comes as much from this House as from the other institutions of the European Union because our two temporary committees of inquiry culminated in the recommendation that there should be a body of this kind. One Commission fell, another came into office accepting that something of this sort should happen and it is that proposal from President Prodi, driven forward by the Commissioner, which we are dealing with today.

It is, therefore, the work of many hands and if this debate today is considered, calm and, I hope, rational it is because of the extent to which the three sides in the triangle of forces have attempted to come to an agreed conclusion by the time of this second reading debate, in order to expedite the introduction of the new authority itself. There should not be any undue delay. If we can avoid the conciliation stage, we will do so.

There are still perhaps a few reservations which I shall refer to in a moment, but we have come to a point where we believe we have a consensus in this House. We certainly have a majority in this House and I should like to thank the rapporteurs and the shadow rapporteurs of the other political groups, particularly Mr Bowis, Mrs Paulsen and Mr Staes for the work they have done right through since the original White Paper. I would also like to thank my own researcher, Michelle Smythe, and everyone from the Commission and the Council, under both the Swedish and Belgian presidencies, who have brought this forward. Since Mrs Aelvoet has taken a bit of a pounding today I shall pay tribute to her part in it also.

We have now agreed on a timetable to get the new authority up and running. To do that there is a series of specific compromises: 16 new amendments which broadly find favour with the Commission – I hope Mr Byrne will be able to indicate that – and the Council.

Firstly, we had to adopt an unusual procedure for one point that remains in some doubt, that is, the site of the new authority. We wanted to set out criteria for the site of the new authority as we believe we should. The Council, however, were not prepared to accept them in the body of the text. But you do not throw away the whole report for that: we have put it into the legislative resolution and we hope that you, Madam President, will be able to set out exactly what our reasoning is. The decision will have to be made on merit and not through the kind of political horsetrading that is currently being whispered about. It would be the worst possible start if this body were sited in an inappropriate place for the worst of reasons.

We tabled the compromise amendments in order to bring forward the major priorities that this Parliament has always emphasised: firstly, a parliamentary hearing for the proposed executive director of the new authority and a three-month period for Parliament to express its opinion on the candidates for a small and tightly-focused management board. That is the board that will meet in public and will make its opinions equally public so the citizens of Europe can see what it recommends. It will have a role to play in risk analysis, risk communication and risk management, where its advice is appropriate. These are substantial powers. In addition, this legislation gives protection to those who want to report on unsafe practices in the food and feed business. Citizens have a duty to tell the truth and I believe we have guaranteed that.

If the 16 compromise amendments, and the others already agreed with the presidency, are passed, we can proceed to set up the new EFSA. The problem of BSE, for example, is still with us: cases of it have been notified in two previously clear Member States this week. Everybody knows that food and animal feed have to be safer. The procedures whereby such products come in and out of the European Union have to be open, transparent and, above all, safe. Some of the practices of industrialised farming have threatened us all. Producers and consumers alike have everything to gain from a monitoring authority which protects the interests of all and is beholden to none. On that basis I commend this proposal to the House.

1-061

IN THE CHAIR: MRS PLOOIJ-VAN GORSEL

*Vice-President*

1-062

**Bowis (PPE-DE).** – We have come quite a journey since the Commission produced its first White Paper. At that time I had the privilege of writing the report for Parliament with my friend across the floor – Mr Whitehead – acting as shadow. Now I am reciprocating as shadow for his report. My party is not a great party for harmonisation but we are a party for harmony and that is what we have seen in this report and the way it has been dealt with.

I too wish to play tribute to the rapporteur and the shadow rapporteurs, also the Commissioner, Mr David Byrne, and – dare I say it in the light of earlier comments – to Magda Aelvoet, the minister. I hope Ms McKenna will not take offence if I give her praise in her absence as she too has played her part in looking for and helping us to find compromises which make sense, which do not betray anybody and which take forward the concept of food safety for the peoples of Europe.

This is an issue which is of considerable importance to people. There is nothing more important than the safety of the food and the drink that they and their families partake of. There is a European dimension to this because, increasingly, not only does food cross boundaries but people cross boundaries. So we need to be certain that the food we eat has been grown in soil we can trust and the fertilisers added to it are known to be safe. The feed that is given to livestock also plays its part in ensuring that the food that ends up in our supermarkets and on our tables merits our confidence. Then we want to make sure that the processing of food is safe and, finally, we want to make sure that when it is stored and retailed, it is still safe for us to take home. Then of course it is up to us.

There are many critical issues in this report – the title of the food safety authority has been crucial to us. We do not want to see an all-singing, all-dancing bureaucracy – we want an authority which is focused on safety, on the assessment of risk, on giving guidance where appropriate to the managers of risk. An authority that understands that risk can never be eliminated but it can be adequately spotted and dealt with. Science is crucial, so is independence – that is why the siting of this authority is important.

The pre-conciliation process – if I can call it that – that we have been going through is an example of how to take measures through Parliament and the institutions. At this last stage Parliament has spoken overwhelmingly with one voice. I know the Commission and the Council have listened and I believe they will have benefited because we are working together on this measure.

1-063

**Roth-Behrendt (PSE).** – *(DE)* Madam President, Commissioner, ladies and gentlemen, when we talk about the European Food Safety Authority today, there is one thing in particular that we need to say to the citizens of the European Union. That is that we are convinced even now, without this Food Safety Authority, that the food people in the European Union are consuming is safe. So safe, that I am convinced that it is among the safest in the world. However, if we believe that a food safety authority would have advantages and lead to improvements in the European Union, there must be good reasons for that. I would like to name three conditions that I believe need to be met to achieve such improvements.

Mr Bowis and Mr Whitehead have already touched on these points. The first is the quality of the experts. It is not acceptable for people the Member States want to get rid of to be sent to this authority as experts and scientists. It is your job, Commissioner, to invite the Member States to send only the cream of the cream. Secondly, to secure improvements we need transparency and openness. Even more than the scientific committees, which have had a high degree of transparency since the BSE crisis, the Authority needs to ensure that it earns the people's trust. That means that it must be open and transparent in its activities.

Lastly, ladies and gentlemen, and Mr Byrne, we need controls. It is also your job, the Commission's job, to convey to the Member States that supervision and control are the most basic tasks of the Member States, something you have criminally neglected in recent years. If we want to carry on guaranteeing safe food, and perhaps even safer food, if we want to win back the people's trust, then we can only do this by meeting these conditions and by tightening up controls. If we do that, the new Food Safety Authority will be a step forward for the European Union. I call on you, Commissioner, to make sure that is the case.

1-064

**Paulsen (ELDR).** – *(SV)* Madam President, ladies and gentlemen, Commissioner, I think it is rather fantastic that we have now brought about some pretty good legislation. Two years is certainly a long time, but I personally thought it would take longer.

It is incredibly important that we talk about safety, on which we can arrive at a common view. Safety has to be assessed. Openness and public control are more important than anything else in this new legislation. Whatever we say and however we behave, new crises will occur and there will be new scandals. We are going to be presented with new scientific proposals which point in one direction or another and which, rightly or wrongly, will frighten people. The only way to deal with this situation is through complete openness and with total public scrutiny, for people cannot be calmed down simply

through publishing decisions. Now, everyone with an interest – consumer and environmental organisations and the media – will immediately be given information, and not only information from a majority of scientists on a panel but also details of minority views. In that way, no one will be able to say that the EU is concealing anything from its citizens.

Finally, I want to say that this is all well and good, but that I wonder how things will work out in terms of compliance and control. What is there in terms of a possible system of penalties to be imposed upon those Member States and companies which do not comply with the safety standards? That is one step. It is a large step and also the first. Let us never forget, however, that it must be implemented. Otherwise, it will be merely hot air.

1-065

**Staes (Verts/ALE).** – *(NL)* Madam President, Commissioner, ladies and gentlemen, Mr Whitehead, the Regulation that is before us is ground-breaking, in my view. I am indeed of the opinion that something good can come out of a crisis situation. We often see this in the food industry too. Crises can lead to headway being made in the legislative field. The Regulation that is before us constitutes one such step forward. I should like to underline a few aspects which were important to my group in particular, and which we have also adopted.

Firstly, the Regulation will ensure that it will no longer be possible for infected food to be exported to third countries, often Third World countries. Secondly, the diversity of food is highlighted. It is also pointed out that traditional products exist, that we should recognise this and that food has a certain cultural role to play. Thirdly, we as Parliament have ensured that we have turned the proposed food authority into a food safety authority, which is quite an achievement for our Parliament. Thanks to Parliament and you, Mr Whitehead, we have been able to play a role and have been able to underline the significance of transparency in this respect. It is indeed true that we need transparency in order to restore consumer confidence. We, as Parliament, have also ensured that we have gained more insight into the make-up of the management board and into the appointment of the executive director. Finally, we have also called for more objective criteria for the location.

When we came out of the Committee on the Environment, Public Health and Consumer Policy at second reading, we noticed we had 28 amendments, 28 amendments which the Council struggled to accept at times. We carried out a kind of pre-conciliation exercise, one with which I am delighted, because the rapporteurs, along with the co-rapporteurs and shadow rapporteurs, made certain that we, as Parliament, were able to take a united stand at the Council, a Council where we heard one voice, where Mrs Aelvoet listened to us, and I am really very pleased about that.

1-066

**Sjöstedt (GUE/NGL).** – *(SV)* Madam President, our political group is entirely in agreement with the tenor of this report. We also think that it is right to table a number of those amendments again that have not been incorporated into this common position. Furthermore, we think that these amendments are of such a kind that it should not now take very long at all to find a common solution together with the Council of Ministers and the Commission.

The most important amendment from the European Parliament is that which makes it clear that what we are concerned with here is an authority dealing purely with food safety and not with food in general. For us, this clarification is important. It is important to focus specifically upon the safety issues.

Amendment No 4 concerns the correspondence between the EU's food regulations and other international agreements and regulations. Obviously, the EU must cooperate in this area with other parts of the world. However, the trend within the World Trade Organisation, in particular, is in danger of leading to a situation in which we have a series of different conflicts between different systems of regulations. In that case, we think it is incredibly important to assert the right to tougher rules for health and environmental reasons.

Amendment No 22 relates to the funding of the authority. For us, it is an issue of principle that an authority should be financed from the Budget. It must not be financed by means of fees deducted for its services. That is why Amendment No 22 is important to us.

A number of amendments relate to openness, and those we naturally support. According to Amendment No 41, board meetings must, as a rule, be public and not held behind closed doors. We think that is incredibly important. We also approve of the proposal that members should be drawn from a broad geographical area.

The proposals we are now discussing have their background in the serious food safety crises within the EU in recent years. Dioxin, BSE and salmonella are just a few of the areas concerned. These scandals are closely linked to heavily industrialised agriculture and to an agricultural policy in which large-scale production and yield have become more important than the environment, animal protection and safe food. If the EU is really to be able to attend to the causes of the problems in this area, reform of the common agricultural policy is needed, above all, so that sustainability and the protection of animals and the environment are put first. Only then shall we really be able to tackle the basis of the food safety problems in the EU.

1-067

**Fitzsimons (UEN).** – Madam President, the views of the 370 million citizens of the European Union on the food chain in Europe have dramatically changed in recent years. This is partly due to the advent of BSE, foot-and-mouth disease in Europe and the chicken dioxin scandal that took place a couple of years ago. Of course the consumer is always right, but on this occasion the European Union legislators have had to redouble their efforts to improve the safety of the food chain in Europe and to restore consumer confidence in food products within the Union. It has not been an easy task. However, the White Paper mentioned by Mr Bowis that the Commission brought forward outlines a raft of directives and regulations that need to be updated and modernised so as to make the food chain in Europe safer.

I would like to take this opportunity to commend Mr Byrne, the Commissioner for Consumer Protection and Public Health, for his absolute determination to guarantee that European Union consumers have total confidence in all food products that are sold within the Union. That not only means improving safety standards of production within the Union but also tightening up rules and conditions for the importation of food products into the Union. The key element of this White Paper is the setting up of the food authority, as we discussed today.

It is very important that this authority is up and running as soon as possible, no matter where it is located. This European Food Authority can work with the 15 governments of the Union, in an advisory and preventative capacity, to guarantee that food products from farm to table comply with the highest public health standards. We live in an internal market with free movement of goods, persons, services and capital. Food is an internationally tradable product and it is therefore very important that a coordinated and common approach is taken to promoting food safety in Europe.

This is only right and proper in the light of the fact that consumers are criss-crossing the frontiers of the European Union on a daily basis.

I also support the approach taken by Commissioner Byrne in guaranteeing that all interested parties are given due representation with regard to the implementation of the new directives and regulations under the White Paper on food safety. Groups representing the food industry, farm organisations and consumer interests are all actively involved in the implementation of these directives and regulations. Indeed, as a result of the Amsterdam Treaty the European Parliament has the power of codecision with regard to the implementation of the new directives and regulations in the area of consumer protection and public health. We intend to remain vigilant at all times so as to guarantee that confidence in the European food chain is fully restored, sooner rather than later.

I commend the rapporteur, Mr Whitehead, and all involved in producing this excellent report.

1-068

**Bernié (EDD).** – (FR) Madam President, in response to the many food crises, such as chicken dioxin, salmonella, listeria, foot and mouth disease and BSE, several Member States have set up facilities to monitor food safety.

At the beginning of 2002, Europe will create its own food safety authority. This new body aims, on the one hand, to meet citizens' expectations by placing food safety at the top of their list of priorities, on a par with unemployment, and, on the other hand, to provide the European Union with a body that is able to defend and promote the European agricultural model on the international stage.

Agricultural products are now an integral part of the World Trade Organisation negotiating round. Within the WTO, the Cairns group is opposed to an approach to agriculture that takes into account food safety.

Nevertheless, in order to be successful, the authority will have to resolve the following problems. On the one hand, the composition of the Management Board, since, in order to involve all players from all parts of the food chain, the body will have to ensure a place on the board for representatives of the agricultural world in the same way as consumers, the food industry and distributors.

That is why we remain in favour of a Management Board composed of 16 members, and not of 12 as proposed in the report.

Lastly, as regards the definition of functions, who will be responsible for the alert system, for management and for monitoring? This means bringing up the thorny issue of revamping the Rapid Alert System. The role of the French Agency is limited to risk assessment, whilst the Minister for Agriculture is responsible for risk management. The European Agency will have to restrict itself to a monitoring role.

My final point relates to the potential conflicts with the national agencies. France, Great Britain, Ireland, Belgium and Greece have their own national agencies. Germany, the Netherlands, Portugal and Spain are about to create their own. The European Agency will have to fulfil a coordination function, whilst respecting the independence of the national agencies.

1-069

**Thomas-Mauro (NI).** – (FR) Madam President, Commissioner, ladies and gentlemen, at a time when euro-federalists are citing the need for a political Europe, which in their view would enable European integration to become more democratic, in other words, would give fewer powers to the European Commission, what do we see happening? A new body is being set up – the European Food Safety Authority – and it must be said that this authority, because of the representatives appointed to form its Management Board, will necessarily be dependent on the European Commission, despite its legal title.

Let us cast our minds back to the unforgivable errors that the European Commission made during the mad cow epidemic. Its priority, at the time, was the creation of the single market, come what may, rather than the safety of food for European consumers. In order to make the European Food Safety Authority more credible in the eyes of Member States' citizens, it is not enough for its seat to be independent of the European Commission as well as physically distant. The members of the future Management Board of the new body must be monitored by the same citizens, through their representation at the European Parliament.

It does not seem that the Authority is giving sufficient assurance that it will be independent. It will be subjected to the power of lobbies and to the wishes of the European Commission and therefore, will be independent only of universal suffrage. Furthermore, who can assure us that it will respect the principle of subsidiarity and individual food characteristics? Will it smother small- and medium-sized food businesses with even stricter regulation, that will be tolerated by fewer and fewer citizens? Why call it an 'Authority' when it has no legislative power? And lastly, why give it so many resources – EUR 67 million and 339 officials – when it could be equally efficient and less costly if it worked together with the existing national agencies? Thank you.

1-070

**Grossetête (PPE-DE).** – (FR) For many years, we have been attempting to restore consumer confidence and I believe that the creation of the Food Safety Authority is a step towards achieving this goal. We must acknowledge that there was some excellent consultation in the management of this dossier and we must not fall behind with this today.

Zero risk does not exist and the consequences of a bacteriological problem, whether or not this is linked to terrorism, can be extremely significant for all our citizens. We are well aware that food contamination can affect a large number of people. That is why safety must be at the heart of this system.

We must not be overcome by panic either, because the European food chain, as a result of the many decisions that we have taken in this Chamber, is certainly one of the safest in the world. However, the shortcomings that have come to light during previous crises compel us to take further measures in the area of food safety.

In order to be effective and credible, the Authority must bring together the leading scientific experts; it must only undertake risk assessment, as part of the Rapid Alert System, whilst risk management must remain in the public domain. It must also work together with the national agencies. Its intervention must be proportionate to the level of risk, in other words, if there are simply rumours, communication must then be stepped up. If, however, there is a risk, the required precautionary measures must be taken; if there is a danger, then preventative measures are necessary. Lastly, the Authority must be independent and utterly transparent. At the same time, monitoring must be increased and, in the case of a serious offence, penalties must be substantial as well as effective.

1-071

**Corbey (PSE).** – (NL) Madam President, Commissioner, ladies and gentlemen, as a rule our food is already safe. Nevertheless, 2 000 people worldwide die every year of salmonella poisoning. In the United States alone, 9 000 people die each year of microbe-related food poisoning. These are worrying statistics, and we are not even talking about other food-related illnesses. With the general principles of food law, we are laying new foundations for safe food and we will be building on those in the next few months and years. We must work on a system which fills consumers with confidence.

Emotions sometimes run high where food is concerned, beef being a recent European example of this. Politicians cannot and must not ignore these emotions, but we must consider the facts. That is where the European Food Authority comes into its own: it must be a beacon of objectivity. The European Food Authority must join forces with national authorities, but we must ensure that it is not rendered powerless from the word go and that it is headed by an approachable front man who does not need to fight to impose his authority but who embodies quality and authority. I would like to finish off with a word of thanks to the rapporteur who has proved to personify the self-same quality and authority.

1-072

**Auroi (Verts/ALE).** – (FR) Madam President, Commissioner, ladies and gentlemen, the Group of the Greens/European Free Alliance will, in effect, vote in favour of the Whitehead report. The European Food Safety Authority, an essential food safety mechanism serving the consumers and the political authorities of Europe alike, is essential to the performance of the functions that it will be assigned.

Its first task is to investigate all the failings that led to the recent food safety crises, both the crises in the food business, such as chicken dioxins, food and mouth disease, trafficking in veterinary products, the excessive use of vaccines and tranquillisers on animals and also the original BSE crisis. I would point out that even Finland now has its first case of mad cow disease. That is the first point I would like to make. My second point is that it is the agency that must also stop the uncontrolled spread of contaminating transgenic products that are even infesting traditional cereal crops, since consumers are rejecting transgenic crops, whose only virtues are commercial. Therefore, this agency must also, other than resolving all those problems, ensure food safety from the farm to the fork. In order to do so, the Food Safety Authority must apply, from the beginning of 2002, the principles of transparency and monitoring that my fellow Members have already mentioned. The failings in the area of hygiene as being the sole criterion, which has been highlighted in the many crises that we have listed, particularly in animal feed, shows that the agency must give advice on good practice, on labelling, on products that have been produced locally, that contain dairy products, instead of dealing with industrial standards alone, which do not prevent salmonella, listeria or any of the more distressing epidemics.

Its main function is therefore to coordinate the national agencies, and to do so, the agency must be independent and transparent.

On the other hand, I have doubts regarding Amendment No 34, which deals with the appointment procedure to the Management Board, a process that seems hazy at best, since it refers to the meritocracy of the Management Board. So what exactly does meritocracy mean in an agency that should be composed of experts in the relevant scientific fields? The Management Board has a political and managerial role. I very much fear that this meritocracy is simply a way of masking the pressure exerted by large food corporations. I hope that the Commissioner will be able to reassure me on this point.

As for where the agency will be based, we believe this is a side issue...

*(The President cut the speaker off)*

1-073

**Blokland (EDD).** – *(NL)* Madam President, given the tug-of-war about the location of the European Food Safety Authority, it appears to be a highly prestigious matter. This does not contribute towards safer food or consumer confidence.

Another point of concern is our keenness to impose our strict standards on the rest of the world. In this respect, I have to say that other parts of the world often do not have the luxury of aiming for the highest possible safety standards for food. Their priority is to collect sufficient food to survive. Needless to say, we should not simply export food which fails to meet our safety standards to those countries. But in those cases where export increases food safety in the countries concerned, export of this kind must be allowed. In those cases, the automatic destruction of batches should not be an option.

As far as the appointment of the management board is concerned, I do agree with the compromise that has been struck with the Council. It is indeed unwise to enlarge this management board any further, because this could compromise its decisiveness. Furthermore, I am opposed to organising hearings in the European Parliament prior to appointing the members of the management board. This applies even more to the executive director. It would be wise for the European Parliament to move further away from the executive tasks of the future European Food Safety Authority.

1-074

**Dell'Alba (NI).** – *(IT)* Madam President, Commissioner, ladies and gentlemen, in the coming week, the Laeken Summit will adopt a number of decisions, including – it is to be hoped – a position on the food authority, deciding where it is to be based. We know how important it is that this decision is made. Several years have already passed since the beginning of this procedure; this proposal has been on the table since 1999, at least, so it is high time that the decision is taken. I feel that, in tabling a second time the amendment which was voted upon at first reading some months ago, Parliament is trying to make two statements, which you, Commissioner, must convey to the governments. The first is that this is a matter covered by the codecision procedure and so Parliament's opinion on the criteria to be put to the vote tomorrow should also be taken into consideration when it comes to deciding the site of the authority.

We know that one of the approaches taken at Laeken will be horse trading – you can appoint the Chair of the Convention if I can choose the site of the Authority, and you can have the Police College – but I feel, rather, that all these decisions need to be taken on the basis of certain criteria which are strictly related to the interests of the institution we are attempting to create. Therefore, when Parliament points out that the site chosen for the Authority should have a longstanding tradition in food safety and food safety research in general, this is clearly a criterion whose importance must be stressed. When we talk about a good scientific infrastructure and facilities in the field of food safety, you, Commissioner, and the Commission must stress the importance of this criterion. When we say that it has to be easily accessible in terms of communications and have efficient and rapid transport connections; when we say that it has to have connections with those services that deal with public health and consumer protection issues; of course it springs to my mind that the Joint Research Centre, which employs thousands of European researchers, is situated in Ispra, and therefore, my opinion can only be that these criteria apply to one candidate city alone: Parma, in Italy.

1-075

**Schnellhardt (PPE-DE).** – (DE) Madam President, Commissioner, ladies and gentlemen, I would like to thank the rapporteur for his excellent work, which is just as we expected. I think that this regulation and this legal basis will, with the measures that follow, help to improve food safety in the European Union, and will establish the general principles of the new food law. With reference to general food law, I would like to mention, in particular, that this represents a real success in developing the principle of a seamless improvement in the food chain from farmer to consumer.

A key aspect of the principles set out here remains the traceability of products. I believe that we have accordingly established two significant new principles and requirements for improving food safety. The centrepiece of the regulation is the creation of the European Food Authority, or, as it is designated in the amendment, the 'European Food Safety Authority'.

I do not want to spend too much time on definitions here. What I consider most important is the fact that the framework conditions have been created for this Authority. The first of these is adequate financial provision. It seems to me that this has not so far been achieved to the extent we might have wished, and the same applies to conditions governing communication between the Authority and the various authorities in the Member States. Appropriate arrangements have not yet been set up in the Member States, and there is still a lot to be done in this regard.

As for the openness of the authority, I believe that this House's amendment is certainly correct, but we also have to guarantee that in certain circumstances the Authority can also meet behind closed doors. An important issue, as many others have already said, is the location of the Authority, and if the Council rejects our proposals, it seems to me that it must intend to locate the Authority in such a way that our requirements and conditions cannot be met. We cannot let such a situation prevail, nor can we accept it. The Council must finally give in on this and select a location that will facilitate communication with the Commission, Parliament and the Member States.

1-076

**Myller (PSE).** – (FI) Mr President, my thanks go to the rapporteur for the excellent work on this report. As has already been established, the European Parliament has been very active for several years now in questions relating to food safety. The rapporteur has also carried out very valuable work by holding discussions with the Commission and Council, in order to ensure that the start-up of the food authority is not delayed; this means that at the Laeken Summit a genuine decision really has to be made concerning the siting of the office.

With regard to the selection criteria, in my opinion Parliament has spoken quite correctly: it is a good idea to emphasise the research connection, the fact that the office is independent, and that there will be effective experts there to guarantee quality. In the case of transparency, I can only agree with the previous speakers; however, transparency also means that there is cooperation with the consumer organisations.

1-077

**Tifford (EDD).** – Let me start by saying that I am all for food and animal feed safety, but I cannot understand why the European Union believes that it is necessary to establish the European Food Safety Authority. I believe I am right in saying that almost all major diseases, except possibly BSE, come from countries outside the European Union. Therefore the World Health Organisation, which is already in existence and is doing just such work, should be adequate for this purpose and can protect all of our interests.

This organisation serves 27 of the countries of Europe including the countries of the European Union. It strikes me that the European Union is creating a further quango which, like most authorities the EU sets up, will be expensive to run and turn out to be a white elephant. If such a need did exist, surely it should be the work of each national government to look at the appropriate problems. These would be pertinent to the conditions of that country and they can act accordingly.

1-078

**Oomen-Ruijten (PPE-DE).** – (NL) Madam President, Commissioner, ladies and gentlemen, allow me to start by saying that I have great admiration for the way in which the rapporteur, and also, most definitely, the shadow rapporteurs, have dealt with this very complicated matter which was ultimately resolved very quickly. There are, of course, minor points which require further attention, and I would mention monitoring as one of them. Who authorises this monitoring? But also, who will be organising, inspecting and running this food safety authority? This should not be sixteen, but twelve, for we need independence.

What do we actually mean by food safety? We mean that in the internal market, we will ensure that we can guarantee food safety everywhere. That not only includes Europe's fifteen Member States, but also all the candidate countries.

I have a few concerns in this respect. Not because food in the acceding countries would not be safe, that is not what I am saying, but I am worried about the lack of good networks in the new Member States that could carry out inspections and instil consumer confidence. Last Thursday, there was a meeting involving experts from the acceding countries who alerted us to the lack of such a structure. That is one side of the coin. Inspection, also from the government, to ensure that the process runs smoothly. There is also a flip side, namely the lack of a civil society. That means a lack of well-trained



consumer organisations that are independent and that could encourage the government at any time to pursue the policy effectively. The same also applies to product organisations.

I wonder if the Commissioner would be willing to give us some information on that score, enabling us to see what we can do about this in future.

1-079

**Doyle (PPE-DE).** – Madam President, life is one constant risk-benefit analysis – what we do, where we go and what we eat. While the European food chain remains one of the safest in the world, recent scandals have damaged our consumers' confidence in the food we eat and the methods we use to produce it. The public has lost confidence in the national and European food safety systems after the scandals and scares with beef, E.coli, lysteria, salmonella, dioxins, eggs, poultry, milk and hormones. The list goes on. The public wants to be reassured that the road from farm to market, to the supermarket, to the oven, fridge and table is as safe as can be reasonably expected. They want safety assessment that is neither secretive, behind the closed front door of the Commission, nor tainted by producer or pressure-group interest.

Since the beginning of your tenure, Commissioner Byrne, you have responded to the needs of the consumers of Europe by making every effort to improve the safety of the food chain. This proposal is one of key importance for consumer protection in the European Union. The institutions of the Union have come together to set out the principles of food law with a new authority which can safeguard the food we eat and the way it is produced.

I commend the rapporteur, Mr Whitehead, and the shadow rapporteur, Mr Bowis, for a job well done throughout the discussion in the Committee on the Environment, Public Health and Consumer Policy. The result of their consensual approach has been to strengthen and unify the voice of the European Parliament on the key issue at stake. I would ask the Commission and the Council to listen to this united voice and to adopt 'European Food Safety Authority' as the title of the institution. Keeping the word 'safety' in the title of the authority will give a clear signal to consumers as to its purpose and goals. I also firmly believe that if the authority is to have the confidence and backing of the people of Europe, it is imperative that it operates and communicates in a wholly transparent and independent manner, dedicated to the assessment of food-safety risk.

Risk communication will also be a key element. One has only to look at the BSE inquiry in the UK and the Philips report which stated that breakdown in risk communication was a major factor in exacerbating the crisis there.

In conclusion, in relation to risk management, the measured and proportionate use of the proportionary principle or the political management ...

*(The President cut the speaker off)*

1-080

**Fiori (PPE-DE).** – *(IT)* Madam President, the issue of food safety is one of the many unifying factors in the Europe of the citizens we want. As far as the European Food Safety Authority is concerned, I feel that the European Parliament has played a very major role: a great deal was achieved between first and second readings and, in my opinion, tomorrow's vote will produce an extremely important report for, indeed, at this point, there is no longer any excuse for procrastination. We will have an instrument which will help us to keep a constant check on food safety in Europe.

As regards this major work, achieved through the efforts of both the rapporteur and the committee responsible, there are still a number of small points which, I feel, will have to be specified: for example, it is extremely important that the management board should include a representative from the agricultural sector because the fact that we are dealing with a process means that all the sectors need to be represented.

There are still a number of gaps as regards the procedures. We are definitely going to use operators from the food sector and people and companies specialised in all the parts of the food chain in order to ensure that the necessary information flow banishes all fears from the tables of our fellow citizens.

One last question is that of the site. An amendment has been tabled seeking to ensure that the locations of the sites of the Commission and the other institutions do not affect the choice of site. The site should be in a place which has a longstanding tradition in food safety and which has scientific infrastructure and substantial resources in the field of safety. Of course, I must put in a word for Parma, for Parma is one of the most important places in the Italian agrifoods system. It is my genuine hope that the Laeken Council will take this candidate into due consideration.

1-081

**Müller, Emilia Franziska (PPE-DE).** – *(DE)* Madam President, Commissioner, ladies and gentlemen, unlike Mr Titford, I am convinced that setting up an efficient and independent European Food Authority as an early warning system is something very much to be welcomed. It should act as a transparently functioning scientific reference point for the Commission, Parliament and the Member States, but it should also be open for producers and consumers. Advice,

information and risk communications for consumers can help to increase our confidence in the food we eat. Food safety is a fundamental requirement for consumers who want to eat healthily and we must take responsibility for that here.

The food scandals over the past few years have demonstrated that we need, in particular, consistent implementation of directives and on-the-spot controls on food and animal feed. If we are to achieve seamless traceability of production, it is essential to optimise the way we link the scientific facilities of this Authority with the control authorities in the Member States. This will ensure safety in the whole chain from producer to consumer. And imported food must be just as safe as food produced in the EU. This safety can be guaranteed by imposing strict controls on food imports at the EU's present external borders.

In parallel to this, the countries of Central and Eastern Europe need to establish properly functioning systems for monitoring the safety of food and animal feed before accession. However, one important problem will not be solved by the regulation before us today, and that is the dividing line between food and medical products. We need to minimise the grey area between these two product categories, food and medical products, as far as possible. If we do not succeed in this, the result will be new demarcation problems and legal uncertainty. That is why it is a matter of urgent necessity for us to make sure that when legislation on medical products is reviewed, an unambiguous EU-wide definition of food and medical products is established, so that there is a clear dividing line, because we can only improve safety for the consumer if we establish a clear definition.

1-0827

**Byrne, Commission.** – Madam President, I recall that when President Prodi first offered me this particular portfolio in July 1999 he emphasised to me the importance of food safety during the life of this Commission. He particularly suggested the importance of establishing a food safety authority during that period also. He said that it was important that the consumers of the European Union had the same confidence in such an institution as US consumers have in their Food and Drugs Administration. I hope that the new authority can deliver on this for our consumers and for our citizens. I should like to take this opportunity to thank President Prodi for his ongoing support during our work to make his idea a concrete reality.

The wide scope of the general food law covering all aspects of the food and feed production chain that may have a direct or indirect impact on the safety of food has been maintained throughout the first and second readings. The Commission welcomes this. We also underline the importance of the wide remit which has been retained for the work of the European Food Safety Authority. It is important that the food authority builds a comprehensive overview of the entire chain. This should include aspects of animal health and welfare, animal feed safety and plant health, in particular at the primary production level. Given our recent food safety problems, it would have been unthinkable to have a food authority that did not cover such matters.

The Commission supports Amendment No 1 which proposes that the authority be called the European Food Safety Authority, while ensuring that the broad remit, which is so important, is not affected. The Commission can support Amendments Nos 29 to 44 by Mr Whitehead, Mr Bowis, Mrs Paulsen and Mr Staes. These replace Amendments Nos 2 to 6, 9, 11, 12, 15, 17, 18, 20, 25 and 27, which I do not support. I can also accept Amendments Nos 7, 10, 13, 14, 16, 19, 21 and 26. Many of these add clarity to the text or enhance the transparency of the development of food law or the procedures of the European Food Safety Authority. I also welcome Amendments Nos 22, 23 and 24 which adjust the text to ensure that the correct budgetary procedures are in place and that arrangements for third countries, notably EFTA countries, are appropriate and in line with normal procedures for agencies.

The Commission cannot accept Amendment No 8 which would allow unsafe food and feed to be exported from the Community to the original supplier in a third country without any constraints or controls. This is clearly an unacceptable practice that I am not willing to support. Rejected food or feed could end up being used either in a third country or being shipped back to the EU and that would constitute a risk to food safety.

From experience, the Commission knows that such practices are also potentially open to fraud and black market abuse. I do not support Amendment No 28 which refers to the selection procedure for the seat, as well as defining the selection criteria. However, I note that Parliament is also proposing another approach. This involves adopting a resolution to the report which calls upon the Council to consider certain criteria in its selection of the authority's seat.

This House is aware that I believe strongly that the authority's seat should be chosen on rational and operational criteria that will facilitate the smooth working of the EFSA. For these reasons I can support the principles expressed in the resolution. I also support the joint declaration from the Commission, Council and Parliament concerning the members of the management board of the authority. I believe that Amendment No 37 on the board's size, the selection process and membership criteria achieves the right balance between the different views expressed at first reading by the three institutions.

In conclusion, I should like to say that since I took up office as Commissioner for Health and Consumer Protection, I have made it clear that the establishment of the European Food Safety Authority was a top priority. Community measures which

protect the safety of the food supply require a sound scientific basis and the authority will provide this. The authority is designed to be Europe's automatic first port of call on scientific matters relating to the safety of our food supply.

Today we are taking an important step towards the establishment of the authority, towards giving the European consumer the safest food supply in the world, which is our ultimate goal.

I would like to thank Mr Whitehead, his team and Parliamentary colleagues who have worked closely with him on the amendments at second reading, and also Mr Bowis, Mrs Paulsen and Mr Staes. I want to thank you for the close working relationship that existed between all of us – not just between our two great institutions, but also on a personal level between myself and all four of you. I discussed these issues with each of you at some stage over the last few months. In addition, I would like to thank the Council, both the Swedish and Belgian presidencies, and also the Minister Magda Aelvoet, who put her own shoulder to the wheel on this issue on a number of occasions.

I also thank the people in my own Commission who worked with me so assiduously, so carefully and so hard.

Not only do I appreciate the excellent work that has been done, but I would like to thank all those involved for the speed with which this complex proposal has been dealt with. The spirit of collaboration with which the three great institutions have approached this file has been admirable. It is clear from the amendments on which Parliament will vote that compromises have been sought which should enable the regulation to be adopted without a time-wasting conciliation process. This will facilitate the establishment of the European Food Safety Authority early next year.

1-083

### Electronic communications networks and services

1-084

**President.** – The next item is the joint debate on five recommendations for second reading:

- (A5-0433/2001) on behalf of the Committee on Industry, External Trade, Research and Energy on the Council common position for adopting a European Parliament and Council directive on the authorisation of electronic communications networks and services (Authorisation Directive) [10419/1/2001 – C5-0417/2001 – 2000/0188(COD)] (Rapporteur: Mrs Niebler)

- (A5-0432/2001) on behalf of the Committee on Industry, External Trade, Research and Energy on the Council common position with a view to the adoption of a decision of the European Parliament and of the Council on a regulatory framework for radio spectrum policy in the European Community (Radio Spectrum Decision) [12170/1/2001 – C5-0490/2001 – 2000/0187(COD)] (Rapporteur: Mrs Niebler)

- (A5-0435/2001) on behalf of the Committee on Industry, External Trade, Research and Energy on the Council common position for adopting a European Parliament and Council directive on a common regulatory framework for electronic communications networks and services (Framework Directive) [10420/1/2001 – C5-0415/2001 – 2000/0184(COD)] (Rapporteur: Mr Paasilinna)

- (A5-0434/2001) on behalf of the Committee on Industry, External Trade, Research and Energy on the Council common position for adopting a European Parliament and Council directive on access to, and interconnection of, electronic communications networks and associated facilities (Access Directive) [10418/1/2001 – C5-0416/2001 – 2000/0186(COD)] (Rapporteur: Mr Brunetta)

- (A5-0438/2001) on behalf of the Committee on Legal Affairs and the Internal Market on the Common Position adopted by the Council with a view to the adoption of a Directive of the European Parliament and the Council on universal service and users' rights relating to electronic communications networks and services (Universal Service Directive) [10421/1/2001 – C5-0418/2001 – 2000/0183(COD)] (Rapporteur: Mr Harbour).

1-085

**Niebler (PPE-DE), rapporteur.** – (DE) Madam President, Commissioner, Mr President-in-Office of the Council, ladies and gentlemen, I would first like to thank the Commission for its excellent and constructive involvement in the consultation on this telecommunications package. I would also like to sincerely thank the Belgian Presidency, which has shown enormous commitment in its efforts to facilitate a compromise between the Council and Parliament, and I think that if we are able to reach agreement on Wednesday, and I very much hope we will, it will be entirely due to the excellent way in which the Belgian Presidency has handled the negotiations. Thank you very much indeed.

However, I also, of course, owe very special thanks to all the rapporteurs and shadow rapporteurs who have not only co-operated in such an outstanding way over a period of many months, but have also worked together on the compromises so constructively. Over the last 12 years, the EU has achieved an enormous amount in the telecommunications market. The monopolies of the established service providers have been broken, and there has been complete liberalisation and

deregulation of the market in many areas, which has benefited both consumers and the economy in general. One clear result of all this has been a fall in prices and a variety of new products and services from the various providers. But there is, of course, nothing that cannot be improved further. This was evident from the 1999 telecommunications report and from the seventh implementation report recently published by the Commission. I would just like to mention a couple of key concepts: local loop unbundling for the benefit of alternative service providers, where further action is still needed in the Member States, and the subscriber's link to the network, which is still unsatisfactory in some Member States. Some established service providers are still offering dumping prices and there are also still bottlenecks as regards leased lines. The new legal framework for telecommunications regulation should guarantee some remedial action here. I would first like to briefly present my two reports on the telecommunications package and I would then like to turn to two other critical points regarding the other directives.

First, then, the Authorisation Directive. The whole point of the Authorisation Directive is to harmonise authorisation arrangements in the Member States. I would like to stress once again, as I said at first reading, that the Commission has produced some excellent proposals here, proposals that I welcomed at first reading and which I specifically wish to support at second reading also. Up to now there have not been uniform procedures for operating communications networks and providing communications services. There have been a variety of different conditions, including, in particular, varying obligations on providers to supply information, there have been variations in the length of the procedures, and the cost and substance of the authorisations has varied. This situation will come to an end with the new Authorisation Directive. The directive also envisages a step change in the authorisation system. Up to now, it has been the practice to issue individual authorisations, but when the Authorisation Directive comes in, there will be a switch to general authorisations, that is to say that, in future, communications network operators will not have to obtain an official licence beforehand, but will only have to demonstrate that they intend to operate a network. However, they will have to comply with the requirements of the general authorisation scheme or of the directives.

Obligations on providers, particularly those regarding information, will be simplified by the new directive, with requirements being limited to the essential. So we are talking about a very provider-friendly solution here. One of this Parliament's achievements has been the introduction of greater transparency in the granting of rights of way, for example drawing up a register setting out the procedures for granting rights of way in the Member States, and we have also managed to ensure that legal protection against rulings on rights of ways is guaranteed in all Member States. We would like to have achieved even more, especially as regards costs. In this case, Parliament stressed the importance of providers, if at all possible, not being burdened with excessive costs in future, if I may put it that way, with regard to rights of way, numbers, the granting of licences and frequencies. As far as this issue is concerned, our discussions have not yet been completed.

Should it be necessary to reach a compromise on the whole package, Parliament will surrender its own position in favour of the Council's recommendation.

My second report is on the Radio Spectrum Decision. The essential objective of this decision is to involve the Commission more closely in the granting of frequencies in future, which is how it should be. Radio frequencies are sought-after commodities, and frequency allocation involves taking highly political decisions, and we must accordingly ensure that the decision makers who bear political responsibility are involved. The granting of frequencies, frequency assignment and frequency allocation are no longer just a technical matter, nowadays, but a real political game.

There are two points on which the Council and Parliament are not yet totally in agreement, and I am therefore particularly pleased to see Mr Daems, the President-in-Office of the Council, here in the Chamber today. Perhaps he could say something about the two points which I am particularly concerned about later on in the debate.

One point which Parliament has tackled repeatedly is whether it should itself be involved in future decisions on radio spectrum policy. This House had requested that whenever frequency reallocation, in particular, was at stake, Parliament should, through the codecision procedure, be consulted and involved in the decision-making process.

To this end, we also adopted an amendment in committee at second reading that would guarantee us this right in a binding article contained in the directive, in the decision. Now, the Council only wants to include this article or this proposal as a recital in the decision. I would therefore like to ask Mr Daems to consider once more, if we are agreed on this, that Parliament should also be involved in radio spectrum policy via the codecision procedure, in which case we could be included in the decision itself and not just mentioned in a recital.

My second point relates to the extent to which the Commission should be concerned with the granting of frequencies. Parliament requested that in the case of frequencies with Community coverage, the Commission should be called upon to intervene or put forward proposals. In the decision, or rather in the Belgian Presidency proposal that I now have before me, I see that by deleting two little words in Amendment No 1, that is to say 'in particular', the decision-making power is in fact to be considerably extended. So I would like to ask the President-in-Office of the Council in this case, too, if he could consider whether we could not agree to delete those two little words, which would mean that we would be respecting the

principle of subsidiarity and thus achieving a solution between the Council and Parliament. I find it hard to believe that the Council could not accept this too.

I would now like to touch on two other points, concerning the framework directive and the Universal Service Directive. First of all, I absolutely must thank the Belgian Presidency very sincerely once again. The Belgian Presidency has worked out an excellent compromise for Article 6. This is about who will have power of decision in future when there are questions about telecommunications law – the Commission or the Member States. I believe that this House can accept the compromise that has emerged. Many Members would have liked us to go further in this area, but that was just not achievable. However, the compromise that has now emerged, according to which the Commission can intervene in matters of competition law, and in particular in matters of market definition and with regard to what constitutes significant market power, is, I believe, a very fair one.

I would now like to turn to a point that I regard as particularly significant, and then I shall conclude. We have been concerned for many years as to how we can promote digital television still further in Europe. The amended proposals from the Belgian Presidency have been one of the greatest disappointments in all this, so that we will achieve nothing or very little in this area. Two points have emerged. The first is whether we can extend transmission obligations to APIs and IPGs. This Parliament unanimously advocated this in all the negotiations. I would ask, once again, that great thought should be given to this or that the Commission should consider how we can achieve this. Furthermore, on the subject of a commonly agreed standard for digital television in the European Union, I believe that we need to go further than the Belgian Presidency has indicated so far. Perhaps the Commission could give a clear signal here, too, in order to help digital television to make a genuine breakthrough in Europe.

1-086

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

1-087

**Paasilinna (PSE), rapporteur.** – (FI) Mr President, Minister, Commissioner, my colleagues, Europe's greatest change is, of course, the networking which has taken place; this certainly unifies us Europeans more than a common currency. It is of everyday and full-time significance, and its importance is growing all the time. The core philosophy of the entire grand project for an electronic Europe is that the digital divide should not take hold in Europe in the way that it threatens to take hold in many other parts of the world; and we, as well as Parliament, the Council and the Commission all share a common line here.

The Commission's draft framework directive and the other statutes belonging to this telecoms package follow the correct line and are very balanced, and I am highly satisfied with them. In this rapidly-moving period of change, we will make up for lost ground; and particular attention has been paid to the importance of convergence, of rapprochement. This means that, to an ever increasing extent, the same content can be prepared on the same hardware, be transferred along the same routes and be received on the same apparatus. This creates a wholly new information space, or perhaps I should say information world, since this is a part of us, it is a part of us in the workplace, at home and when we are travelling.

Here, in Parliament, we desire that this world be regulated, but that at the same time competition be secured, so that no monopolies, duopolies or cartels are generated. This will maintain a low pricing level, easy access, and employment and growth in this area. I could venture to say that if we had had these regulations in force at the time when we decided on the 'electronic Europe' at Lisbon and when (at the same time) the auction in frequencies was initiated, then it would not have been possible for the catastrophe of the frequency auctions to unfold in the way that it did. It would have been possible to standardise the bid auctions and to harmonise practice, and consequently such irregularities would not have taken place, the sector would not have been driven to its knees and we would have saved many hundreds from bankruptcies and the unfortunate unemployment consequences linked to these.

A telecoms package which consolidates the Union's telecommunication legislation will have great significance in competition with others outside the European Union. It will result in us having more harmonised markets for this sector which in itself is already international and border-transcending. We will then also obtain the benefit of the European Union's advantages of scale, which in turn will surely have an impact on both employment and on the success possibilities of firms and on pricing.

Of these five statutes, I regard the framework directive to be the most important. The most difficult matters have been dealt with here. Now we have before us my draft report which has been processed by the committee, for which I thank my colleagues (it was approved unanimously), and then also the presentation of the Presidency State. It has gone far in order to meet Parliament half way, and in my opinion we should approve it. It takes account of Parliament's stance in two central matters which we have been taking up for discussion throughout this summer and autumn: Article 6 and Article 4. The latter concerns the appeals procedure and the former concerns the relationship between the Commission and the national regulatory authorities.

Now for the first time, and this can be regarded as a breakthrough, the Commission can intervene in a national statute, if this statute is not in harmony with the general statutes, both in the definition of the market and in the definition of a significant market position. These are the two matters which we wanted to see implemented, and now, thanks to the Presidency State, they are in your proposal. Furthermore, I hope that the Presidency State can tell us whether it is also possible that the Council may commit to this as well. If this is so, then this package should in my opinion be approved. I have been given to understand that the Commission is also of this view.

1-088

**Brunetta (PPE-DE), rapporteur.** – (IT) Madam President, Commissioner Liikanen, the new regulatory framework for telecommunications replaces the Community system which opened up the national markets in Europe and brought the era of monopolies to a close. By way of justifying the revision of the Community telecommunications framework, the European Commission stated its intention to reduce the regulatory burdens according to the liberalisation objectives achieved on the basis of the model still in force. The aim was, in fact, to secure greater confidence in market forces in order to boost the competitiveness of the European market and encourage investment in the emerging markets, facilitating the provision of innovative services. The purpose of the revision of the prevailing model should, therefore, have the aim of gradually moving the telecommunications market on from its liberalisation phase to a phase of genuine, consolidated competition.

The relationship between the development of the regulatory framework and the dynamics of the markets should be pursued using a forward-looking approach which favours competitive conditions, ensuring the rapid distribution of innovative services, in order to provide direction for the market and the future exclusive application of the procurement rules which are gradually replacing *ex-ante* rules. The new model should introduce a transitional phase that fosters this transition to a telecommunications market that can be managed in the same way as any other economic sector in strict respect for competition rules. This end can be achieved by a body of *ex-ante* rules harmonised at European level which are characterised by the fact that they are temporary and exceptional; in other words, the regulation that we are discussing and approving *ex ante* must provide for it to be abolished when a sufficient level of competition has been achieved. These *ex ante* rules must be kept to a minimum as regards requirements and strength, in order to ensure that intervention is proportionate to the regulatory objectives.

In view of the flexibility of the new model, which very prudently extends the scope of intervention of the international regulatory authorities, the main thrust of the new regulatory framework must be the need to guarantee the supervisory power that the Commission has laid down in respect of the national authorities, in order to ensure correct interpretation of the new framework and thereby avoid distortion of the competitiveness of the European market between geographical areas. In fact, with the absence of a centralised authority at European level making it possible to assess the ultimate consistency of national decisions with Community objectives, the new regulatory framework is in danger of not achieving its objectives.

To this end, Mr Daems, Commissioner Liikanen, allow me to illustrate an amendment which I tabled together with 51 Members from different political groups precisely to Mr Paasilinna's directive. Mr Paasilinna has worked very hard on his proposal on the framework directive on telecommunications. This amendment seeks to make things clearer for operators, to avoid fragmentation in the application of Community law in the various Member States and to ensure the development of a genuine internal telecommunications market. The adoption of my proposal would facilitate harmonisation, which can only be achieved by establishing unambiguously defined power allowing the European Commission to intervene to guarantee that the application of Community law is coherent with objectives and pursues the same goals in all the Member States. Harmonisation and centralised power are the basis for the development of the pan-European telecommunications market. This what the operators want, this is what the market wants, Mr Daems, Commissioner Liikanen. The market wants the development of a pan-European telecommunications market, whereas the short-sightedness of the national authorities often tends to slow down that process of development in this phase; that is why I tabled this amendment which, I hope, will be taken into due consideration by the Belgian Presidency, the Council, the Commission and this House.

1-089

**Harbour (PPE-DE), rapporteur.** – Mr President, in the concluding part of this package of directives, the universal service and users' rights directive, for which I have been privileged to be rapporteur, are very much at the cutting edge of the whole package. These are things that will really mean something to all consumers and users of electronic communication services. The common position that we received from the Council was a major advance over the first reading text and I would like to thank the Council and Commission for accepting so many of Parliament's ideas and suggestions. The new text has been substantially restructured and clarified which is important for effective transposal in Member States. As part of that restructuring, the aspects of market intervention contained in this directive – and this is very strong market intervention at a retail price level – are clearly set out. It is worth reminding all of us in this House that these are very much seen as transitional measures towards a fully open market in which competition rules will reign supreme. That is the direction we want to move in.

I would like to pick up on some further enhancements that we have made as a result of the second reading. I would like to thank the Council for working so closely with us and also to thank my colleagues on the Legal Affairs Committee who

worked very closely with me in making suggestions. I hope that they will be pleased with the results that we have achieved.

It is worth reminding ourselves that the whole essence of this universal service directive is to ensure that a core service is available to both able-bodied and disabled consumers across the single market, and also that the users' rights provisions must ensure that consumers have a right to clear contract terms, to comprehensive transparent pricing information and also a guarantee of other important services. The changes that we have particularly focused on at second reading concern some further important enhancements to the provision for disabled users.

I am pleased to say that at the common position stage, we have a clear indication in a separate article about the importance of Member States providing for disabled users on a wide range of services, in particular ensuring that disabled users have the sort of choice and range of services that all other consumers expect. Those are broad-ranging provisions that will develop as services expand.

The new area – that I am pleased we have introduced, and I would like to thank the Council for accepting this – is to encourage the development of clear quality standards related to disabled user provision. That is something that we have added in at this stage because it seemed to us that it was all very well having some common provisions but unless we have a way of monitoring those and making sure that those evolve with the rest of the range of services involved, then things might just stand still. We will not see disabled users being able to take advantage of new technology and new services in the way we would like them to. This is a very important provision which I am sure will have the support of all colleagues.

The second area that we focused on in second reading was to ensure that small- and medium-sized enterprises also benefit from the sort of users' rights that are required for individual consumers. In a rapidly developing world, we already know that small- and medium-sized enterprises are a key target for enhanced electronic communications. We want SMEs to really buy into e-commerce, into the new possibilities afforded to them by enhanced electronic communications. They do not necessarily have the negotiating power of larger companies and therefore provision is made for them.

In conclusion, I wish to talk about a third aspect which has involved us in a lot of tough negotiation with the Council, namely over "must carry" obligations which are included within this Directive. These allow Member States to impose obligations to carry public service channels and channels of specific interest on electronic communication systems. Many colleagues felt that there should be a specific extension of this to satellite and conditional access systems.

The Council and Commission have told us that this is already covered fully in the access and interconnection directive, but colleagues have not agreed with that. When it comes to the compromise package that we will vote on I am prepared to recommend to colleagues that we do not support this area but on condition that the Commission assures us that it will continue to keep this under very close scrutiny when it comes to looking at the Television without Frontiers directive and also to encourage the fair access provisions. If we do that, I am sure that we can move forward to approve the whole package in what will be a major advance for the European economy and for Europe's competitiveness.

1-090

**Daems, Council.** – (NL) Mr President, ladies and gentlemen, allow me, in turn, to thank the rapporteurs and shadow rapporteurs for the work they have carried out in tandem with the presidency, in the search for a common platform on the basis of which we can reach agreement. This will allow us to take a reasonably prompt decision at long last, thus promoting the development of the entire telecom sector, and hence the development of the internal market. I should also like to include the Commission in my thanks, which, together with the rapporteurs and shadow rapporteurs, helped us in every way possible to reach a common position.

Allow me to outline the process we went through. By process, I mean the procedure we followed to reach a package which is hopefully acceptable to Parliament.

You have to bear in mind that it is not easy to reconcile very different opinions, especially where Member States are concerned, in order to be able to produce a package at the end of it. It is therefore in this context that the response, prepared by the presidency, to the recommendations for second reading concerning the directives which are now before us, can, in fact, be seen as a very balanced response, which in the view of the presidency might be acceptable.

Needless to say, a number of additional explanatory statements will have to be drafted, for it is impossible to include everything in the body of a directive, for example with regard to comments by the first rapporteur, Mrs Niebler. In my view, it is indeed self-evident that a new policy requires information and involvement by, for example, Parliament, certainly when it comes to the use of the existing spectrum. Despite this, I believe that this general principle will necessitate a clarification from the party applying it, namely the Commission, and I therefore also believe that explanatory statements by the Commission, not simply on this score but also on a number of other aspects, could prove useful, as a number of rapporteurs have already stated.

I believe my present role to be as follows: if you, as Parliament, could ensure that this common response by the Council's presidency will be accepted by you, then this is what will actually happen in practice. In other words, it is, in my opinion, very important to me that I can officially say to you that, if the Commission can indeed fully support our response and if Parliament can fully accept this common position of the Council, the Council will accept this accordingly. In other words, it is a package, as was stated a moment ago. A package entails the risk that if you tug at one string of the package, the whole thing may fall apart. I am not saying this because I like saying this, but because political realism, with which we are all familiar, teaches us that, if we want to proceed swiftly, we need to adopt a common position which offers a huge amount of benefits. Let us be honest, the Council's flexibility towards Parliament has been exemplary, and contained a crucial message which was news to me, namely that the concept of the internal market is clearly being prioritised, even by the Council. If you ask me, this is a very special new message.

It is in this context that the response of the Council's presidency is being presented to you here, and I would not like to see my colleagues who have asked me to tell you this, revisiting their previous common position by running a risk and tugging at a string – and I am saying this in all candour – for I then believe that we would be at a complete loss as to know where we would end up in some future procedure or other.

In my view, we have now reached a point where we can make enormous headway, where the Council's flexibility is, I dare say, rather exemplary, where we stimulate industry, where we contribute towards establishing the internal market and, via the internal market, create advantages for the consumer in all its diversity and with all its aspects, *inter alia*, via universal service, which we all set so much store by. In other words, the Council gives you the formal pledge that, if the Commission supports this fully, and if you deem this package to be acceptable, the Council will actually implement this package without any exception.

1-091

**Van Velzen (PPE-DE).** – (NL) Mr President, Mr President-in-Office of the Council, Commissioner, I would firstly like to thank the President-in-Office for his straight-forward language, for he is simply saying 'take it or leave it'. But first and foremost, I admire his enormous perseverance, particularly in the light of the fact that we have arrived at this result.

I have to say that one important sentence in the speech of the President-in-Office stood out for me, namely the emphasis he placed on the internal market. Unfortunately, we have had to work for too long with a Council that no longer appeared to embrace the concept of internal market. Thanks to you, and I should say, thanks to many of my fellow MEPs here in the European Parliament, this has now been rectified, fortunately.

Needless to say, what is at issue is that we will face more competition, more players, Mobile Virtual Network Operators, etc., and there is nothing wrong with that, of course. It is about striking a fine balance between rules on the one hand, and scope for further market development on the other. We are in this transitional phase, and we must aim for normality as quickly as possible, away from *ex ante*, towards *ex post*, to put it in simple terms. This means, therefore, that we must weigh up the whole set of rules and market interventions against the question as to whether this is really future-proof. In my opinion, this will need to be one of the assessment criteria for the Commission, to constantly monitor whether we could proceed any faster towards what I refer to as a more normal market, *ex post*, in other words.

This also naturally leads on to the question: what will the consumer gain from this? Will we receive more service and lower prices, in particular? I am therefore pleased with the Council's compromise proposal with regard to international roaming, and I would ask the Commissioner now: what steps will the Commission take in order to ensure that next year, during the summer holidays, we will not be inundated with complaints by our voters that it is still very expensive, that the cost of ringing from a landline to a mobile line is still too high. These are the questions which are important to our citizens, and we must simply get results on this score.

Article 6 has been mentioned many times. One can appreciate it at different levels. I am pleased that the Council eventually took the bull by the horns and has stated that an internal market requires an independent role by the Commission. We will continue to fight in the next round, because what you are now offering is too little in my opinion, and more is needed for an internal market, but also on that score, we must of course establish a certain kind of realism. As I understand it, you have on that basis, in fact, interpreted the revision clause along the lines of 'move towards this single internal market'. Although you have not adopted Amendment No 36, you have done so at a practical level, and I am extremely grateful to you for this.

Finally, in my view, it is very important for us to hear from the Commission what steps it intends to take with regard to digital television, so as to be able to lay down this one European standard as soon as possible. This is about Europe's future, about achieving the objective of Lisbon, and I believe that the Commission now also has a key role to play in this.

1-092

**Mann, Erika (PSE).** – (DE) Mr President, Mr President-in-Office of the Council, Commissioner, ladies and gentlemen, I would just like to touch on a few points in the short time I have available. Mr Daems, you quite rightly pointed out that you have achieved a great deal in the Council and you also referred to the flexibility on the part of the Council that this



involved. You said that we have reached a good compromise. I agree, and I think that many of my colleagues in my group will see it the same way. It is an acceptable compromise. There are a good many points on which further negotiation is needed. Mr van Velzen hit the right note. We will have to carry on negotiating and fighting to achieve a common internal market, because this is just one step and further work will be needed.

I believe that we in this House have one particular problem with this, and I have already heard a lot of people saying that it is difficult to have an informal dialogue as part of the second reading. That requires a great deal of work and needs a huge investment of time given all the linguistic difficulties involved. The whole package that we have before us is very complicated and needs a great deal of detailed work. I think that we here in Parliament – and I am addressing this comment more to Parliament than to the Commission and the Council, although it indirectly affects them too of course – will have to make a greater investment in ensuring that we have whatever support is required to tackle such a complex task from a political point of view.

This will still not guarantee completion of the internal market. It is right that in future the Commission will have more power and scope for action. We have not used the word ‘veto’. That is probably very clever in political terms, but nevertheless it is something along those lines. Nevertheless, by means of cooperation and consultation, the national regulatory authorities have the power to ensure that they can take appropriate action to influence their national markets. There is an interesting definition of transnational markets. Nevertheless, there are two further problems to which previous speakers have referred regarding the interoperability of standards. I believe that the proposal does not go far enough in this respect. I cannot understand our countries, why they are not in favour of interoperability in the area of standards. I hope that something more will emerge in this field. There is also still a great deal more to be achieved, via consultation with Parliament, as regards Parliament's participation concerning technical measures, and that includes, in particular, Mrs Niebler's report, for which I am shadow rapporteur.

I would simply venture to point out that Mr von Wogau will, I hope, be bringing forward an interesting report next year dealing more fully with the issue of Parliament's participation in such consultation processes.

Once more, we have until Wednesday to consider things further, and the Council and the Commission have a further opportunity to comment on these points. I would be delighted if they would do that today.

1-093

**Plooij-van Gorsel (ELDR).** – (NL) Thank you, Mr President, Commissioner and Minister Daems. Needless to say, I would naturally like to echo the words of praise expressed by my fellow MEPs for Mr Daems for all his efforts, to which Mrs Marcel has also greatly contributed, of course. I will return to this in a moment, for I would also like to thank all my fellow MEPs, and especially the rapporteurs, for the pleasant and close working relationship so far. For we must realise that what is before us was only possible thanks to the unanimity with which we in this Parliament have worked on this package. It was, of course, abundantly clear to the Council that we were not going to yield an inch on essential points, especially on the score that we want one internal market where companies and consumers can benefit from the achievements of that one Europe. And we can only achieve this in this way. That is why it is crucial for us to agree on sound procedures that are ultimately monitored by the Commission.

What I miss in the Council's package before us, is a clear stand on one European standard for digital interactive television, something which my group deeply regrets. What is clear is that Europe does not seem to be learning from past experience. Indeed, the overwhelming success of the mobile phone standard, from which consumers and companies have benefited and will do so in future, apparently failed to convince the Council enough to dare adopt a clear stand for once, namely in the field of digital television. I would therefore ask Commissioner Liikaanen whether he, following in the footsteps of his predecessor, Mr Bangemann, would be prepared to do this and would like to promote the MHP platform. I would ask him at the same time to present a clear timeframe for this.

You will have understood by now that the package that is before us, this compromise, is acceptable to my group, and I only hope that Mr Daems is prepared to confirm this. For then it will be implemented to the letter of the law in *all* Member States.

1-094

**Echerer (Verts/ALE).** – (DE) Mr President, Mr President-in-Office of the Council, Commissioner, ladies and gentlemen, the Group of the Greens/European Free Alliance wishes to add its voice to the chorus of approval for everyone who has worked so long and hard to enable us to inch forward module by module. All of the previous speakers, and above all you, Mr President-in-Office, were right in saying that we need to see all this in the light of the e-Europe initiative and of the internal market. I would like to express my appreciation of your efforts not only personally, but also on behalf of my group, and I know that sometimes things get sorted out in the corridor, over a coffee or in other informal ways, over a sumptuous meal, for example.

I am sorry to tell you that I have a bit of stomach ache. Not because I have spent so much time recently with lobbyists from one side or another over sumptuous dinners, but because depending on how you look at it, what is on offer is either too

much or too little. Too much in the sense mentioned by Mr van Velzen: 'eat up, that is all you are getting', or too little in as much as when we reach compromises we have to accept proposals from the European Parliament being slightly amended, with small, nebulous changes involving little words like 'shall' and 'may', which are then taken out, so that I suddenly feel that the amendments are not so minor any more.

I would like to briefly pick out one point, as I had an excellent exchange of information throughout the whole period of cooperation with Mr Harbour. I would like to highlight just one point in the context of the Universal Service Directive, and that concerns consumers with disabilities. We are not giving anything away here. We live in a society which for reasons of solidarity and on economic grounds takes whatever steps need to be taken. What is at stake here is that after many years we are giving some very important signals in this area, in order to give people with disabilities full access to the information and communication society as fully integrated consumers. This political willingness, this political awareness and this political will would simply not have existed to the same extent 20 years ago. I just wanted to mention that point to demonstrate to you all that time is a great healer. However, that will certainly not cure my stomach ache.

I think that because of this stomach ache I would very gladly vote for this compromise, because, just like all of you, I am in favour of this internal market, and I would have been happier if it had already been established now, not at some point in the near future. However, I too will close by mentioning the crucial points that other Members have already touched upon, and which I do not really think are solved in the compromise: interoperability, digital television, transmission obligations, and Article 6 of the framework directive. Whether this fare is too much or too little, I think it takes us forward an inch or two. I would be very interested to hear what else you may have to say to us, and then, even if it upsets my stomach, we would be happy to say 'yes'.

1-095

**Crowley (UEN).** – I would like to thank the rapporteurs on behalf of my group and on behalf of Parliament for the tremendous work that they have done on their joint reports. When we look at what the Council agreed upon in Lisbon and the new European initiative in particular and consider utilising the advantages which would accrue to Europe from the telecommunications revolution, we can see that there are many great opportunities out there to be grasped, but they require proper order, proper rules and proper regulation to ensure their use for the benefit of all. At this point I would particularly like to congratulate Commissioner Liikanen for the innovative measures that he has brought forward and the way that he is striving to bring Europe into the 21st century. I suppose it is appropriate that a man of his origins should be doing that.

However, there are a number of dangers and risks and in particular, I want to deal with two aspects. First there is the universal service aspect – the universal obligation that my colleague Malcolm Harbour was talking about. I will take a slightly different perspective. There is a risk relating to competition, with new regulations and new rules being brought in, that there will be cherry-picking of the most valuable markets, the most valuable layers, and suddenly larger urban areas will benefit whilst rural areas and peripheral areas will lose out.

On top of that, as already mentioned by Malcolm Harbour, there is the question of disabled access. Companies and institutions must be forced to adapt their services to suit the needs of the consumers and particularly those consumers to whom the Internet and the telecommunications revolution could open the most possibilities of all by bringing them into the real world and bringing them into dialogue.

A third area that I wish to focus on is the risk of creating new illiterates or new gaps between those people who have computer and electronic skills and those who do not. We have a population in Europe today that is ageing: we have a huge middle-aged and ageing population that may not have the training and the skills necessary to usefully adapt to computers, electronic commerce and so on. What is happening in our schools and providing access in education is very important, but we must look to new ways of bringing in the middle-aged and the aged into the process.

Finally, the eSchola initiative is a great one. – I hope it can be extended to bring in older people and more peripheral areas. My last point is that, when we speak about consumers, let us ensure that we speak about all of the consumers of Europe not just those in the largest urban areas.

1-096

**Della Vedova (NI).** – *(IT)* Mr President, Commissioner, Minister, rapporteurs, I wholly support the objective underlying the raft of proposals we are about to vote on, that of supplementing the internal market with liberalisation and the introduction of a system of genuine competition in a sector such as the telecommunications sector which is vitally important for Europe, its economy and the well-being of its citizens. However, I feel that no one, including the Commission, should be under any illusion that this raft of proposals, although a substantial step in the right direction, might represent a positive, definitive solution. I do not feel this will be the case; indeed, the fate of the regulation on unbundling the local loop, despite its almost unanimous adoption, and the difficulties encountered in its implementation bear witness to this.

An underlying contradiction still remains in many Member States, specifically in those where publicly controlled telecommunications companies are still very influential and where, as a result, the State finds itself acting as both player

and referee at the same time. There is a great conflict of interests within most public administrations which, in my opinion, is one of the greatest barriers to the process of liberalising the telecommunications sector. In order to alleviate the negative effects of the present imbalances in the different national markets, it might be appropriate to confer upon the Commission greater power to monitor and guide the national regulatory authorities, and to create mechanisms for cooperation and coordination between the national authorities. That is why the Italian Radicals will support Mr Brunetta's amendment. Although not the final solution, it could be an appropriate path to take.

If we want an open, competitive, effective telecommunications market, we need to fulfil an essential requirement, and that is to reduce the States' power as managers in the telecommunications sector. The State and the administrations must play a single role: the role they need to play of regulators. Playing two roles, being both players and referees at the same time, slows everything down and places the success of the liberalisation process in jeopardy.

1-097

**IN THE CHAIR: MR VIDAL-QUADRAS ROCA**  
*Vice-President*

1-098

**Chichester (PPE-DE).** – Mr President, the importance of the package as a whole is clear, both for a major European industry and for its customers and users. But are we moving fast enough to keep up with a changing market?

I would like to congratulate colleagues, especially the PPE-ED team, for getting to this point where much of Parliament's position has been taken on board in the Council text. I particularly welcome progress on Article 4 of the framework directive so that the principle of appeals against NRA decisions on the substance of an issue, not just on whether procedure has been followed correctly, has been accepted. This gives some comfort to operators and provides a more balanced situation. I also welcome moves improving Article 6 of that directive so as to achieve a more even regulatory framework across Member States through the requirement for cooperation and coordination between NRAs and the Commission. Personally, I prefer the voluntary approach to adopting common standards in digital television technology rather than seeking to impose one solution. I say, let the market provide the answer.

The package, as now formulated, seems a big improvement on the original proposal but we are still looking for consumers' concern about levels of competition and service to be addressed through faster transition to a true internal market governed by general competition rules.

1-099

**McCarthy (PSE).** – Mr President, I would like to thank the rapporteur, Mr Harbour, for the cooperative and pragmatic way in which he has worked on the universal services directive. In particular, his efforts to achieve a consensus have led to the Socialist Group's amendments – both to strengthen the 'must carry' provisions and to give stronger rights of access to disabled users – being carried in the Committee on Legal Affairs and the Internal Market.

The fast pace of technological change in the telecoms sector means that legislation must keep up with the pace of developments. But it must reflect growing expectations of users and consumers for a minimum set of services at an affordable price, guaranteeing access for all. The telecoms revolution has created a rise in consumer expectations. It is our job to respond and ensure that our legislative framework in the EU can deliver competition and consumer benefits.

Consumers, for example, have not benefited from the existence of multiple competitors in the mobile phone market. Tariffs have not fallen in line with lower costs of running networks, now prompting in the UK an Ofcom inquiry and a European Commission investigation. This directive must ensure genuine universal access and extend to all users, especially those with special social needs, those on low incomes and those with disabilities. The disabled will be excluded from the opportunities if there are not sufficient guarantees of access across Europe to public payphones, directory services and electronic programme options. In my country alone, two million blind and partially-sighted people could benefit from this directive if the Council and the Commission accept our amendments.

Finally, on 'must carry' provisions, we need to find a means to allow services and channels in the public interest to be carried on cable and satellite platforms. If we do not, then I fear the future of satellite television might be dominated by the TV culture of quiz shows featuring stripping housewives, squeezing out educational and public interest programmes. Let us be clear: Amendment No 26 does not promote a free ride for public broadcasters on conditional access services nor indeed on imposing or mandating this. The fact is that market conditions do not always provide 'must carry'. It is appropriate to allow Member States to intervene if and when it is appropriate to do so. I trust the Commission and the Council will see the merits of supporting this.

We favour a quick deal but it is conditional on the Council and the Commission accepting our amendments, which are a genuine and committed attempt to ensure that the brave new world of electronic communications is genuinely universal.

1-100

**Thors (ELDR).** – *(SV)* Mr President, Commissioner, Mr Daems, if we reach an agreement this week, it will be one of the few decisions in which the European Council's timetables are put into effect. That is a good reason why we should try to achieve something in this area, in contrast to what has sometimes happened with regard to other decisions about liberalisation.

I especially want to thank the rapporteur, Mr Harbour, with whom I have worked closely. I want to agree with those speakers who have said that we are now introducing important rules for disabled users. In certain contexts, I have felt ashamed at the fact that our rules have not been as advanced as the rules in other large markets. I also want to emphasise what Mr Harbour said about the 'must carry' principle. The intensity with which we have debated TV issues in recent weeks shows that it is not entirely acceptable to distinguish between content and the principles we had when we first debated convergences. We are talking here about important cultural values in respect of which the Commission and the Member States must be able to depart even from strictly commercial rules.

We should support the compromise in the Paasilinna report. In that context, I also hope that the Commission will apply a fairer competition policy between large and small countries than that we have seen, so that small and different markets too can continue to exist. That is something to which perhaps not enough attention has been given.

Turning now to the issue of digital TV, I really regret the Council's position on API for digital receivers. In many contexts, the European Parliament has clearly given its backing to an open common and approved standard. In this area, there is no market, as on many other issues. The market cannot therefore be researched. I hope that, before we vote on Wednesday, the Commission will be able to say when it is intended to take measures to bring about interoperability and genuine freedom of choice for consumers, and what it is intended that these measures should be. I therefore hope that the Commission will be able to come up with a declaration before we vote on Wednesday. That is important for this sector's competitiveness in relation to other sectors within the telecommunications sector.

1-101

**Hieronymi (PPE-DE).** – *(DE)* Mr President, I would particularly like to join in thanking the Commission, the Council and all those Members involved. Thanks to their commitment, they have achieved considerable progress in the EU's telecommunications market. However, in contrast to what the word suggests, the term telecommunications market represents something that has not been dealt with properly, particularly in the Council common position we have before us. What I have in mind is digital television. I very much welcome the fact that not only the Committee on Culture, Youth, Education, the Media and Sport, whose views I am conveying here, but also the Committee on Industry, External Trade, Research and Energy have unanimously indicated that it is simply not enough for us just to talk about attempting to avoid the danger of a digital divide in the European Union. I am not talking about access for people with disabilities, an area in which I think significant progress has been made. I am talking about the principle of digital access for all, and also about the interoperability of equipment, application interfaces and services.

I very much regret this, whilst praising the Belgian Presidency for everything else it has achieved, but this is the drawback of this outcome: the course is now being set for equal access via a common standard for digital television, and we naturally need to strike a balance between developing the market and public interest obligations, and these two points of view have been taken into account by the Committee on Industry, External Trade, Research and Energy and the Committee on Legal Affairs and the Internal Market in their opinions. That is why I am urgently appealing to the Council, in view of this need to take cultural considerations into account, to ensure equal access for all. I call on you to improve this part of the text, and we will then all be able to give it our unqualified support.

*(Applause)*

1-102

**Glante (PSE).** – *(DE)* Mr President, Mr President-in-Office of the Council, Commissioner, as everything has been said, but not by me – as they say – I will make two or three points simply to underline what has been discussed by the previous speakers. I belong to the minority who, at first reading, were not satisfied with Article 6 of the framework directive. The compromise that has now been presented meets with my approval. I think a balance has been achieved between the national regulators' shadowing of the market and the Commission's right of veto, in order to stimulate the progress of the internal market, of which we are all in favour, even my group. This represents, in our view, very much another fragmentation of the market.

I want to say something general about the *modus operandi* itself. Yes, we are dealing with a very fast-moving market and rapidly evolving technology, and we have tried to take that into account by acting relatively speedily. I want, though, just to say another word of admonition. Parliament – by which I mean, we – should not always deny ourselves our rights in the legislative process. We realise that from time to time, when the worst comes to the worst, but I think it must remain an exception.

I would like to highlight another point. Mrs Hieronimi made it very clear – and, as a member of the Committee on Industry, External Trade, Research and Energy, I can only underline what she said – that a unitary standard for digital

television, and its interoperability, are issues not only for industry policy, but also for consumers. I have promised consumers and the general public in my constituency that we would ensure that there was a standard that would enable them to receive on one TV set everything that they wanted to see and that they would not have to install several sets. I believe we have to go a bit further down that road. I would like to emphasise the very demand that Mrs Hieronymi made when she spoke just now. Perhaps the Commission and the Council can leap a bit further over the shadow thrown by digital television and reach a compromise. Then I, too, would find it easier to vote in favour of the package as a whole. I will end my speech there and point out that I have stuck to the speaking time allotted to me.

1-103

**Clegg (ELDR).** – Mr President, it seems to me that the outcome is a vindication of the Community method. Much of the process was kick-started and propelled by the declarations at the Lisbon Summit, but nothing would have happened if those declaratory statements had not been turned into excellent and workable proposals by the Commission. They were then propelled forward by some superb cross-party work by rapporteurs in this Parliament and fixed as a result of innovative negotiating skills on the part of the Belgian presidency and from Mr Daems – who contrived to include a gastronomic tour of Brussels in his valiant efforts to secure consensus. This combination was successful in dragging Member States and national regulatory authorities – some of them kicking and screaming – towards a workable pan-European approach.

That seems to me to offer some lessons for the Barcelona Summit next year: if we want to push forward the economic reform agenda in this sector and in others, we need to continue to rely on the tried and tested Community method and not resort to the intergovernmentalism that frankly was implicit in much of what the Council seemed to suggest in the negotiation positions it took on this package.

1-104

**Rübig (PPE-DE).** – *(DE)* Mr President, ladies and gentlemen, this package is actually one of the things that are absolutely crucial to the Council Presidency, and I would like to congratulate them on the commitment they have demonstrated. We need sensible compromises, and we need them in quick order. This is a very fast-moving market, and so we need fast decision-making processes that produce binding rulings and, above all, more legal security as well. It is on that basis that there will be long-term investment, which is what we need in the current economic climate.

Let me just remind you that there are, at present, eighty cases pending in Austria alone, of which only two were decided by the Supreme Court. This can hardly be the way into the future. As I see it, the authorisation directive is about harmonisation being a very positive thing, but also at the same time about the need to guarantee rights of access. It must be possible for the authorities to be helpful in implementing these rights if one is paying for it. In the access directive, the open interface is of particular importance. The independence of the alternative operators, and especially of the interface, is something that we should not underestimate in the future. The possibility of future dynamic development in this area is of the utmost importance to small and medium-sized enterprises.

As regards universal service, we need clear definitions of universal service provisions, especially with respect to what has to be financed by the operator and what by the State; and finance by the State raises the question of whether there is to be a public invitation to tender.

I believe that these liberalisation measures are of quite particular importance to the public – in both the internal and domestic markets. I cannot actually explain to my constituents the difference between a telephone call from Kehl to Strasbourg and one from Strasbourg to Paris. Here, I believe, there is a lot more work for us to do.

1-105

**Read (PSE).** – Mr President, I very much hope that even at this very late stage, right up to the wire, we can achieve a compromise on this package between the three institutions. Others have mentioned the conclusions of the Lisbon Summit but there are other needs for a conclusion: the needs of industry for early clarity about the new rules, the need of European citizens for cheap, efficient competitive telecommunication services, the needs of European Union businesses for education, for research, for societal applications.

I particularly want to ask about the rights of disabled users and to put a specific question to the Commission on the compromise presidency text. It is important, not just for social reasons, but for access to employment for disabled users. I would like to ask Commissioner Liikanen whether in his view the presidency compromise encompasses those points of principle contained in both the framework directive and the universal service directive. There have been serious criticisms by disabled users about non-implementation of the RTTE directive and this is a crucial point for many of us. Parliament has rightly supported carefully delineated powers for the Commission and understands also that some qualification is essential. There is a need for clear rules consistently applied within national regulatory authorities and between regulatory authorities. The powers for the Commission need to be circumscribed and time-limited, as indeed they were in Parliament's amendments and in the presidency compromise. I very much hope that when we vote on Wednesday we will have reached an agreement between the political groups and between the three institutions.

1-106

**Gill (PSE).** – These reports will play a critical role, not just in shaping the future of telecoms but also in ensuring a greater choice in competition in the European market. Even more importantly, I hope they will go some way, in our drive for the knowledge-based society, towards lessening the divide there is between those who have access to information technology and those who do not.

I am speaking on the access and interconnection directive which is extended to provide a pro-competitive and harmonised framework to stimulate competing network infrastructures and interoperability of services. I hope it will ensure that bottlenecks in the market do not constrain the emergence and growth of innovative services, especially for people with disabilities and services that will benefit users and consumers.

To achieve these ambitious objectives, we first need to influence the way in which Member States regulate access and interconnection and secondly we need operators with SMP to grant other network operators interconnection facilities in a transparent way.

An area where we have had problems and where the harmonised approach between Members has been difficult to obtain under the current framework is international roaming and call termination in mobile networks. I know that this directive may not be the place for such detailed information, however, in the absence of any movement from the operators, I believe it is important for us to highlight this issue. The fact is the cost of terminating calls in mobile networks is ten times as much as terminating in fixed networks.

I can appreciate some of the problems in the international roaming, but the differences are too wide to be credible in terms of actual costs incurred and there is a huge spread of prices across Europe for the same service. The most expensive country is almost twice as expensive as the cheapest. I want to try to ensure, when we are looking at a level playing field and a single market, that the retail prices are cost-based and transparent and are of benefit to the consumer especially the SMEs who are trying to gain access across Europe and take advantage of the single market.

I hope the Commission will have greater success than they had in implementing the local-loop directive across the fifteen Member States, because this directive needs to be implemented forthwith because lower prices, wider choice and better services are an absolute priority for the EU if we are to achieve a more socially-inclusive Europe and a one-speed Europe.

1-107

**Westendorp y Cabeza (PSE),** *chairman of the Committee on Industry, External Trade, Research and Energy.* – (ES) Mr President, since the European Council in Lisbon, we have travelled a long way in a relatively short space of time. The three institutions, Council, Parliament and Commission, were aware that the time factor was vital in the case of one of the fastest-developing technologies.

The directive on e-commerce has already been approved, we approved the directive on the unbundling of the local loop – which, by the way, the Member States have not yet fully complied with – but now the telecommunication business, which seemed secure, is encountering more and more problems, which is clearly not beneficial to users. A new framework is therefore necessary. And that is what this package of directives we are dealing with provides.

It is not a question of more regulation. It is a question of regulating what is necessary, with a balance between consumers and operators. But, above all, it is a question of regulating in the same way, in an equal way, in order to prevent what was happening – a fragmentation of the internal market. That is why the European Parliament tried to resolve this problem, and the Council, in its common position, made a counter-offer, which I believe was insufficient, but now the Presidency has achieved a package which is more sufficient.

What we are being offered is clearly not ideal, it is not what we would all like to achieve, but as the saying goes, the best is the enemy of the good, and, for the sake of the certainty of the operators, for the sake of the need to have a filter in the Commission to deal with the problems of the internal market, and also, it should be said, for the sake of the good image of the operation of our institutions, I recommend that we approve this package.

1-108

**Junker (PSE).** – (DE) Mr President, ladies and gentlemen, despite all the praise, in which I, of course, wish to join, there are still some large flies in the ointment, which have indeed already been mentioned. I am speaking in my capacity as rapporteur of the Committee on Culture, Youth, Education, the Media and Sport, with responsibility for consideration of the authorisation and radio spectrum directives, and also as my group's shadow rapporteur on the framework directive.

All these reports have been adopted unanimously in the Cultural Committee, and we have managed to bring substantial points from our position to bear in the leading Committee as well. In the Council, on the contrary, all the Committee's concerns have been utterly cast to the winds, which it would be an understatement to describe as disappointing. To get to the point: even though the package of directives we are discussing is called the 'telecoms package' for the sake of brevity, it must be clearly pointed out that it certainly does not deal only with telecommunication issues in the strict sense of the word. Technical convergence does indeed mean that electronic services cannot be divided up by reference to their channels

of distribution or the devices used to receive them, but this is specifically, in our view, about digital television and other services related to journalism.

What matters to the Committee on Culture, therefore, is that the whole wide range of Europe's cultural diversity should find a place on the networks and not be merely subject to the laws of the market and of competition. This means that we see the issue of interoperability, like that of obligations to transmit, as being essential. By these means alone will Member States and participants in the market have the legal security to guarantee services of general interest and only thus will the provision of the full range of services for everyone be guaranteed in terms of both supply and demand.

It is self-evident that Europe, for its part, does not have a duty to regulate the content of transmissions, but it is obliged to see to it that culture is not beaten into submission by commerce. The bottom line is that doing without interoperability does not only impose limits on culture, but positively militates against the internal market. So the Council's compromise is inadequate in every way, and we assume that there will be more change in this area.

1-109

**De Rossa (PSE).** – Mr President, I, like everybody else, or perhaps most other people in this House, want a single market. But I do not want a market where competition rules supreme. Regulation is necessary both economically and socially. If you have no competition, you will have no service innovation, but if you have cut-throat competition, you will not have service innovation either. It is necessary therefore to get the balance right. So, I would suggest to the Commission and Council that Parliament is offering them an opportunity to improve the balance of the package before them, and I would urge them to accept the proposals being put forward by Parliament.

By coincidence, the Commission came forward today with a working document on the performance of industries providing services of general economic interest, and this also covered telecoms. That document indicates that liberalisation in general is having a net beneficial effect, but I would suggest to the Commission that they need to come forward with a lot more research and hard evidence in relation to specific sectors to convince me that it is true in all cases.

Finally, I would suggest that the Commission needs urgently to take on board the suspicions regarding price-fixing with regard to roaming mobile telephone calls.

1-110

**Martin, Hans-Peter (PSE).** – *(DE)* Mr President, Commissioner, ladies and gentlemen, whenever a debate draws to its close and as important a package as this one on telecommunications is adopted, one should be, indeed must be, permitted to look into the future. In this instance there are a number of questions that present themselves at the same time. Is the Commission already able to assess how much the market will now change – not only in the direction of more competition? What effects can we expect to see on jobs? Can you, on the basis of the package about to be adopted, already estimate whether the digital divide really will be reduced? Would what is currently going on not be an ideal opportunity to actually put transparency into practice, both as regards costs and at the consumer end? We are indeed currently finding that the new directives mean that we will have to deal with a flood of confusing information about telecommunications charges, and transparency should surely be at least as important in economics as in politics.

1-111

**Dehousse (PSE).** – *(FR)* The Council and the Commission exerted considerable pressure on Parliament to consider their proposal as set in stone. However, eight amendments have been tabled by members of five different groups, which in fact proves that the basic text is insufficient.

Those who signed these amendments, supported by the Committee on Legal Affairs and the Internal Market, particularly want, in order to be technically fair, the broadcasting or 'must carry' obligations to also apply to satellite, the conditional access systems and to businesses providing access to digital television. In order to safeguard legal consistency, we demand that the conditional access systems and the other associated facilities are also included in Paragraph 2, which is the purpose of Amendment No 26, the only amendment tabled by our group. We would like to stress to the Minister that we, like everyone here, welcome the speech on reducing the digital divide, but we would also like Parliament to be permitted, now and again, to have the power of co-decision.

1-112

**Koukiadis (PSE).** – *(EL)* Mr President, electronic services are a public commodity in a modern knowledge society. Consequently, quality, affordable services, irrespective of geographical location or the user's personal profile, must be reconciled with the demands of competition, although the basic objective must be to guarantee universal access. Particular attention is therefore quite rightly being given to making access easier for people with disabilities.

Consultation with users is essential in order to ensure we have optimum regulations from a social point of view. I particularly welcome the amendment requiring the Member States to hold public consultations in order to define users with disabilities. This means initiating a broad debate with individual representatives of people with disabilities, depending on their particular requirements.

So we need to focus on measures for minority users, such as providing public telephones at fixed locations or equivalent measures for deaf or speech impaired people. At the same time, once this parameter is accepted, we need to develop quality of service standards for services for minority groups alongside general quality of service standards, because that is the only way we shall be able to monitor the degree of access which these people have to electronic services.

1-113

**Liikanen, Commission.** – The four directives with you today, together with the Spectrum Decision, make up the new regulatory framework for electronic communications – a cornerstone of the eEurope strategy, the information society for all agreed at the Lisbon European Council.

Since Lisbon, successive European Councils have called on the Commission, Council and Parliament to ensure that the new framework is in place by the end of this year. We still have two weeks to go. Time is running short, but the EU still has the chance to meet this deadline. The package of compromise amendments before you today has a broad level of support in the Council, as the presidency told us today.

It is, of course, a compromise. Nobody gets everything they want – neither Parliament, the Council nor the Commission. But the Commission nonetheless believes that it is a balanced compromise. My assessment is that neither institution is likely to get more from conciliation.

Agreement on this package will send an important, positive signal externally. We all know that the communications sector has had a rough ride over the last year or so. Early agreement on this package will be a welcome boost.

The package will have a positive impact on the sector in a number of different ways. The new framework will deregulate, requiring regulators progressively to remove regulation as it becomes unnecessary, so that they regulate only when there is market failure. In this way, the package provides a transition to the final objective we all share: reliance on competition law to control market power in the electronic communications sector.

The new framework simplifies and deregulates national licensing regimes, removing prior regulatory control over market access for network and service provision, and focusing such controls only on frequency and numbering resources.

It preserves and strengthens universal service, striking the right balance between the rights of users and the need not to impose disproportionate burdens on operators. In particular, it makes it clear that functional Internet access is a key part of the bundle of services that must be affordable and available to all EU citizens. Mr Martin asked me about the impact of this solution for the digital divide and employment. It is very clear that universal service has a key impact on availability. But we also need policy measures which concentrate on the skills of all citizens and on content. We need availability at a low price; we need skills and content in everyone's own language to close the digital divide.

Finally – and crucially – the new framework, with the amendments contained in the compromise package, would include the necessary safeguards to ensure that regulators act consistently across the EU, so that companies can expect to be treated similarly in similar situations throughout the EU. Here I particularly want to thank the European Parliament for its strong support, without which we would not have been able to achieve this kind of compromise with the Council.

I will explain how the compromise package deals with the three fundamental issues that dominated discussion between the Council and Parliament during second reading: right of appeal (Article 4), the transparency mechanism (Article 6 of the framework directive), including matters related to radio spectrum, and finally interoperability of digital TV equipment – which has been raised by many colleagues tonight.

On right of appeal, the compromise package takes Parliament's line by requiring Member States to ensure that the merits of the case are duly taken into account.

On the transparency mechanism, the compromise package goes a long way towards Parliament and the Commission's position. The text gives the Commission hard powers to require national regulatory authorities to withdraw draft measures in the key areas linked to the functioning of the single market: definition of markets and designation, or otherwise, of undertakings with significant market power (SMP). Commission decisions are subject to an advisory committee procedure.

Radio spectrum is covered by Article 6, paragraph 2, whereby regulators are required to cooperate with each other to ensure consistent application of the regulatory framework. The compromise does not provide for hard powers of intervention by the Commission on spectrum matters. Nevertheless, the Commission believes that this provision, together with the Spectrum Decision, will improve co-ordination of radio spectrum policy matters across the EU.

With regard to the Spectrum Decision, the Commission is very satisfied with the compromise proposal, as the major objectives pursued in the original Commission proposal are met. The adoption of the Spectrum Decision in this form



would constitute a major step forward. Furthermore, it demonstrates how far positions in this important matter have evolved, given the failure not so long ago of legislative proposals along similar lines.

The Spectrum Decision in its present form will set up a general and permanent framework for addressing radio spectrum policy and legal issues in the context of all relevant Community policy areas. It thereby reflects the increasing importance of radio spectrum in the context of Community policy objectives which depend on the availability and efficient management of frequencies as a vital resource for the provision of economically and socially important wireless usage in electronic communications, transport, broadcasting and so on.

The Spectrum Decision makes it possible to take appropriate action to ensure efficient use of spectrum and spectrum management. It also provides for technical implementing measures to be adopted under the Spectrum Decision as a mechanism to ensure legal certainty. Many Members of the European Parliament have raised the issue of digital television. We clearly have got the message from the European Parliament. On digital TV interoperability, the compromise package goes towards Parliament's position, by taking over much of the European Parliament text. A new article and corresponding recital would be inserted in the framework directive, dealing specifically with interoperability of digital interactive television services.

It would impose an obligation on Member States to encourage the use of open application programme interfaces by platform operators and equipment manufacturers. In addition, Member States would also be required to encourage API owners to make available, on fair, reasonable and non-discriminatory terms, all such information as is necessary to enable service providers to provide all services supported by the Application Programme Interfaces.

Clearly an obligation to encourage does not go as far as an obligation to ensure. But – and I emphasise this – the provisions of Article 16 on standardisation allow standards to be made mandatory one year after entry into force of the directive if interoperability cannot be ensured by the use of voluntary standards. The combination of these two provisions constitutes a step forward for the interoperability of digital television, which we all agree is a desirable outcome for European consumers. Article 16 means that one year after entry into force of the directive, the Commission must organise public consultation then propose the comitology procedure, followed by Commission adoption. Furthermore, as we have really understood the strong will of the European Parliament to go forward with interoperability, the Commission is ready to start actively to promote European standards for interoperability with all stakeholders concerned.

Mrs Read and Mr Fitzsimons raised the issue of the disabled here today. Firstly, on the amendments on the disabled, most of them have been accepted in the Council position, except perhaps for two, which overlap with the Council text. Secondly, I am personally convinced that information technologies give us better chances than before to give equal possibilities to the disabled. When we make society better for the disabled, it is better for all of us. Last week we had the information society technologies conference, in which Mrs Read also participated. We saw fantastic new applications which make life for the disabled better. We must absolutely encourage their use. The same was true with the e-government conference. We proceed along those lines. The accessibility guidelines recommendation from the Commission a few weeks ago is another example here.

As far as the link between the RTTE directive and this package goes, we are ready to consider and study that issue. I will come back to that later.

The compromise package is always a compromise. No institution gets everything it wants. But this compromise is a balanced one. It represents a proper balance between the views of the Council and Parliament. As such the Commission would recommend that the House accept it.

The Commission will transmit to the sessional services of the European Parliament the detailed position on the amendments, including those not covered by the Council compromise.

Finally, I thank the European Parliament and the presidency for their particularly close and substantial cooperation on this file. My particular thanks go to the rapporteurs, Mrs Niebler, Mr Paasilinna, Mr Harbour and Mr Brunetta, the rapporteurs for the five telecom directives, as well as the chairman of the committee, Mr Westendorp y Cabeza.

But I do not want to forget the shadow rapporteurs and those other Members of the European Parliament who have participated so actively in the discussion of the telecoms package. It has been an excellent example of how Community method at its best can work. It has been an extremely complicated legal package. Everybody had a role to play. We worked towards the same compromise solution and – if it goes through this week – very rapidly.

The outcome of this would be that Europe would have the most modern, technology-neutral legislation for the future. I am sure it would be good for jobs, good for growth, good for equal access for all. I hope that this package will be accepted this week in Parliament.

1-114

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

I would inform Members that the services of the Bureau have a list of the amendments accepted and not accepted by the Commission. The services of the Bureau will supply this list to any of you who wish to have it.

The joint debate is closed.

The vote will take place on Wednesday at 11.30 a.m.

1-115

### **Report on financial assistance for innovative and job creating SMEs**

1-116

**President.** – The next item is the debate on the report (A5-0422/2001) by Mr Bushill-Matthews, on behalf of the Committee on Employment and Social Affairs, on the Commission report to the European Parliament and the Council: Growth and Employment Initiative – Measures on financial assistance for innovative and job-creating Small- and Medium-sized enterprises (SMEs) (COM(2001) 399 – C5-0459/2001 – 2001/2183(COS)).

1-117

**Bushill-Matthews (PPE-DE), rapporteur.** – This is Parliament's second report on the growth and employment initiative which is a multiannual programme. But it is also, perhaps unusually, the second one this calendar year and the reason for this is that the 1999 report was delayed until January of this year in essence because the Commission had been somewhat sluggish – a point I recollect I observed in my speech in January. This year, I am delighted to say that the Commission has produced a very thorough and generally much better report and I would like to thank them for the cooperation they have shown.

Ironically, the timing has been more of a problem this time around with Parliament and that is partly because the Industry Committee decided that it wanted to produce an opinion and wrote to the Employment and Social Affairs Committee and asked if the vote in committee could be deferred. The vote was deferred and then the Committee on Industry decided it did not want to produce an opinion after all. But these things happen. Anyway, I would like to thank colleagues in the Employment and Social Affairs Committee for their amendments which have generally improved the report substantially. I would like to thank the Economic Committee for their opinion which the committee fully supported and which is utterly embraced within the body of the report, and I would also like to thank the Employment and Social Affairs Committee for adopting this report unanimously a few weeks ago.

Parliament clearly hopes that its views as expressed in this report when voted on tomorrow will be of genuine help to the Commission and the EIF in determining any programme changes for the coming year, in which case the report each year needs to be presented annually in good time well ahead of the year to come so that it can influence what happens in the year to come. The challenge for everybody in the year 2002 is therefore to present the report in the November plenary rather than in the December plenary.

The Commission can help, as I hope they will, by speeding up the inter-service consultation which still seems to be a rather dozy process. I have it on good authority that the Commission's own report rested in certain DGs in-trays for several weeks before being lifted out so progress can be made there. It can also help by sharing with Parliament the quarterly information from the EIF and I thank the Commission for agreeing publicly in the Employment Committee to do this. This will be very helpful, but Parliament can certainly help in sharpening up its own act in terms of getting the timetable much sprucer next time around.

Meanwhile, I would just like to highlight three points from the report: paragraph 13 where we would like to see in next year the Commission report much more concrete evidence of the employment gains that this multiannual programme has produced, not because we doubt what those employment gains might be, but we would like to see some hard data next time around. On paragraph 14, there are a number of references to other stages in the development of SMEs in their business cycle. We would like attention to be paid to this too. Finally, to go back to the earlier part of the report, in Recital F, where a deliberate comparison is made with the United States, because there, less regulation allows for a much more entrepreneurial spirit. In the EU we believe that we have to get a much more similar mindset to America in the way in which we approach SMEs.

I note with great interest the Minutes of the Industry Council meeting on 4 and 5 December, which proudly proclaimed real progress under the Belgian presidency towards "better practices geared towards elimination of red tape". If this is true it is most welcome. I want to believe it. I would love to see the evidence. Certainly we all have to do our best to make it true.

SMEs currently account for two-thirds of all workers – the majority of all workers employed in the European Union. But European employment laws are substantially shaped by the social partners who represent the big employers and the big trade unions but the minority of the workers. We all need to recognise that SMEs are the biggest employers overall, that SMEs are the biggest engine of growth for the European economies. It is not enough just to say that we have looked after SMEs, that we have the employment and growth initiative. It is a great help but we have to do much more.

1-118

**Radwan (PPE-DE)**, *draftsman of the opinion of the Committee on Economic and Monetary Affairs.* – (DE) Mr President, Commissioner, ladies and gentlemen, many thanks, Mr Bushill-Matthews, for this excellent report. I would like to present briefly the opinion of the Committee on Economic and Monetary Affairs, and I do not want to devote myself to long explanations about why small and medium-sized enterprises are the economic backbone of European society. SMEs find access to finance ever more difficult, and a look at the agreements that Basle II will bring with it leads us to assume that this finance will become even more problematic. New methods of finance, such as venture capital, initial public offers, or all the other things currently being tried out or referred to, certainly represent a feasible way ahead, and one to which we in Europe will have to give thought, but not one to be used similarly by all SMEs. It is for that reason that I am glad that the Commission is taking up this issue on Europe's behalf.

I would like, on the basis of my practical experience and of my discussions with many owners of SMEs, to tell the Commission of my principal concern, which is that future promotion of SMEs should also be tailored to their needs. Many owners of SMEs have no idea, or it is very hard for them to find out, where any kind of support at a European level is to be had. Support is meant to be transparent. Then I often hear complaints that support at a European level is very complicated, that compliance with the requirements imposed on SMEs is very difficult and that this often made the whole thing very expensive.

Thirdly, all this should also be calculable in good time. Very lengthy application procedures stretched over many years result in small entrepreneurs quite simply running out of breath and not making it through to the final stages of the process. This means that everything possible needs to be done by the Commission to ensure that support for SMEs meets the needs of applicants from the target group, that is, the owners of the enterprises themselves. At a European level, though, we can ease the burden on SMEs or do justice to them not only by offering finance, but we should also consider how we might remove the burden from them by avoiding additional bureaucracy and regulation, which weigh down on them more and more. I believe it would be highly appropriate to put in place a screening procedure in the Enterprise Directorate-General which would make it possible to lodge a veto in good time, permitting the passage of regulations beneficial and appropriate to SMEs and excluding those detrimental to them.

1-119

**Mann, Thomas (PPE-DE)**. – (DE) Mr President, Council, Commission and Parliament at last agree on something. The promotion of SMEs contributes to greater investment and innovation, and to the creation of new philosophies of enterprise. A multiannual programme was started to benefit an initiative towards growth and employment. Parliament approved a budget of EUR 450 million. SMEs are an engine for jobs in Europe. Seventy per cent of all workers are employed by them, and over 80% of all apprentices trained by them. In order to give them a better chance in the market, however, more financial and fiscal burdens have to be taken off their backs. They need improved access to risk capital. The European Investment Bank should apply its funds not only to the knowledge-based enterprises in the multimedia and biotechnology sectors, but also to cutting-edge technologies in the environmental and energy sectors and to innovative service-providers in craftsmanship, trade and tourism. Interest-rate subsidies paid out amount to over EUR 93 million rather than the EUR 100 million that had been envisaged, yet, all the same, 54 000 new jobs were created where 33 000 had been expected. If that is not a success...

The excellent report that Mr Bushill-Matthews has produced meets with full support from the Group of the European People's Party (Christian Democrats) and European Democrats, and my committee was unanimously in favour of it. I echo his criticism that the report reached the Committee on Employment and Social Affairs far too late. Obviously there were too many services dealing with it. Parliament can, though, only take responsibility and perform its supervisory function if information is available in good time. Future reports will have to concentrate on aspects that make effective analysis possible. What about the quality of jobs in innovative fields? How is sustainability ensured? How many women – who, at the end of the day, are a significant element in the European employment strategy – are involved? The Commission's report is encouraging, this criticism notwithstanding, providing, as it does, evidence that it is worth investing in these forward-looking sectors, and that is entirely in the employees' interest.

1-120

**Van den Burg (PSE)**. – (NL) Thank you, Mr President. I too should like to congratulate Mr Bushill-Matthews on his report. He has made every effort to add this report to the agenda at the earliest opportunity and, as he has already indicated, he is not to blame for the fact that that is not the case. Even the Commission has made more of an effort to ensure that that is done in time, and moreover, the content of the report presented by the Commission is more substantial than when we discussed it the first time round, because we have since gained more experience with the Growth and Employment Initiative.

The report is about this Growth and Employment Initiative and about the three financial instruments which have been developed with this initiative in mind, namely the ETF start-up facility, the JEV programme and the SME Guarantee Facility. Just like last year, on behalf of my group, I should like to underline the social dimension in this respect. This initiative is the brain child of the European Parliament that was developed in the wake of the Luxembourg Summit in 1997, and right from the outset, it was made very clear at the time that the initiatives should not only focus on this highly advanced technological sector, but should also embrace the social sector, and I am of the opinion that we cannot repeat this enough.

There is only one point where I cannot completely follow the rapporteur in this report, and that concerns recital F which he quotes. He refers to the United States of America in this respect. More investments are made in new initiatives over there, and the decision to set up one's own business is made more easily. I acknowledge that this is the case, but I disagree with his analysis that the reason for this would be the US's milder regulatory climate. In my view, this is much more related to the whole culture of entrepreneurship, the fact that people over there are used to taking initiatives, that it is not of such major concern to fail once, to go bankrupt once and start again. In my opinion, cultural factors of this kind play a much more significant role than simply the regulatory climate. This remark is not really appropriate, in my view. I hope that we can find a compromise on that score at tomorrow's vote, for it would be unfortunate if this report were not adopted unanimously.

1-121

**Evans, Jillian (Verts/ALE).** – Mr President, on behalf of the Verts/ALE Group I welcome the report and I congratulate the rapporteur. I agree with the criticisms made of the Commission's report and many of the points made in relation to support that SMEs need, both by the rapporteur and by other speakers here tonight. But the report does not deal adequately with the crucial issue of whether jobs were actually created by these financial instruments. The amendment by my group makes explicit reference to this. The stated intention of the SME guarantee facility is to stimulate job creation by supporting the investment activities of SMEs within the EU through increased availability of loan finance.

The estimate for job creation is an average 1.3 new jobs per SME over 2 years which is described as substantial. But we do not have a cost/benefit analysis and enough concrete information. I would ask colleagues to support this report but also to support the amendment which makes this point clear.

1-122

**Cauquil (GUE/NGL).** – (FR) Mr President, I am going to use my speaking time to contradict the procedural page and the previous speakers who, while claiming that the Committee on Employment and Social Affairs unanimously voted in favour of the Bushill-Matthews report, have attributed to me a vote that expresses the exact opposite of what I believe in.

This report is a plea to grant greater financial assistance to small- and medium-sized businesses. I am even more opposed to the idea of giving public money to private businesses since large financial and industrial corporations are often lurking behind the all-encompassing SME cause.

It would never strike Mr Bushill-Matthews, who is known for his fervent support of the so-called free market, to propose financial assistance for workers who have been made redundant by the very same industrial and financial corporations or their counterparts. On the contrary, the rapporteur brings out the begging bowl without compunction, so that public money can be shifted, through the SME Guarantee facility or pre-start financing, into the coffers of large corporations so that it ends up swelling the private wealth of shareholders.

To prove that Member States and the European institutions are no strangers to a bit of hypocrisy, this increased financial assistance is proposed in the name of job creation.

I shall of course vote against this report. Public money should go to public services, to health, education, and public transport, which could and should create many more useful jobs for everyone than these start-ups, which swallow up money without showing how they are of use to society.

The health sector has been reduced to collecting public money in order to contend with some diseases. I would like to see employers come round to collect public money. It is not up to Parliament to give taxpayers' money to help them.

1-123

**Liikanen, Commission.** – Mr President, we received with great interest the report by Parliament's Committee on Employment and Social Affairs concerning the second annual report on growth and employment initiatives. I very much appreciate the spirit of cooperation with the rapporteur and the favourable comments made on the annual report. In particular, I know that the committee's report – and I quote: "welcomes generally the content and analysis within the thorough and more comprehensive 2000 report and commends the Commission and the EIF where progress has been made".

I would like to address the main points raised by the Committee on Employment and Social Affairs in the report prepared by Mr Bushill-Matthews and have grouped my comments under three headings: provision of information to Parliament and its timing, geographical coverage and an updating of the instruments.

Firstly on the provision of information. All the completion of the formal Commission procedures for the adoption of such a report may appear too long and, frankly, sometimes it is. The Commission has helped the rapporteur by providing an advance copy of the report before publication. We intend to continue this practice of keeping the rapporteur informed prior to the completion of the formal Commission procedure. We also explored to what extent we can share with the rapporteur the quarterly information received from the EIF without the need for a formal Commission procedure. It should be noted that this quarterly information is mainly used for operational purposes. It is to ensure appropriate monitoring of the programmes by the Commission services and cannot be relied upon to provide the same degree of accuracy and detail expected by the annual report.

Secondly, on geographical coverage. The geographical distribution of the project signed under both the ETF start-up and the SME guarantee programmes varies considerably. The difficulties of implementing ETF start-up in all countries of the Union stems from the different stage of development of the venture capital market in various countries, coupled with the requirement that ETF start-up only invests *pari passu* with at least 50% of capital provided by the private sector. In those countries where little venture capital activity exists it is difficult, if not impossible, to meet the second condition. In the meantime the take-up of the facility has successfully continued with another foreign investment signed and three more being processed, all together corresponding to a geographical coverage of eleven countries.

As you can see from our annual report the distribution for SME guarantee is most satisfactory. The initial high take-up in Germany and France was attributable to the existence of well-developed national guarantee programmes in those two countries which were able to take advantage rapidly of this facility.

Thirdly, on the instruments. The three instruments of the growth and employment initiative have been integrated into the new multiannual programme for enterprise and entrepreneurship and in particular SMES 2001-2005. A change in market conditions prompted the Commission to suggest a refocusing of ETF start-up further upstream: seed, early stage and incubators. Similarly, it led the Commission to propose diversification in the SME guarantee portfolios, for instance towards microloans in favour of the smallest enterprises and ICT loans that allow small enterprises to take advantage of the potential of electronic commerce.

Finally, with regard to the simplification of joint European ventures, our legal and budget experts have come to the conclusion that the Council decision on the multiannual programme for enterprise and entrepreneurship does not allow simplification in significant terms. To achieve this, a new Council decision would be required and such a decision would also need a new budget appropriation. Before submitting an appropriate proposal to the Council on which Parliament would be consulted, the Commission services are working on a full assessment of a joint European venture.

In the light of this assessment, the competent Commission services may submit a proposal to reduce considerably the life of the joint European venture programme and so that the whole budget will not be used. But I and my services will keep you informed accordingly of any developments in this regard.

1-124

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

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

The debate is closed.

The vote will take place tomorrow at 11.30 a.m.

1-125

### Circulation of compound feedingstuffs

1-126

**President.** – The next item is the report (A5-0421/2001) by Mr Graefe zu Baringdorf, on behalf of the European Parliament to the Conciliation Committee, on the joint text approved by the Conciliation Committee for a European Parliament and Council directive amending Council Directive 79/373/EEC on the circulation of compound feedingstuffs and repealing Commission Directive 91/357/EEC (PE-CONS 3653/2001 – C5-0491/2001 – 2000/0015(COD)).

1-127

**Graefe zu Baringdorf (Verts/ALE), rapporteur.** – (DE) Mr President, Commissioner, we have succeeded in gaining the acceptance of open declaration of foodstuffs. By 'we' I mean Parliament, assuredly also with the Commission's support, but

the Commission manifested a mild attack of weakness during the procedure with regard to what we considered necessary to the labelling of compound feedingstuffs. I think that honourable Members will back me up when I state quite clearly that, if Parliament had not had the right of co-decision in this area, we would not have been able to push this through. Quite apart from the matter under discussion, I wish, then, to emphasise that we need the right of co-decision in all agricultural policy matters so that, as we have done in this instance, we can come to sound and sensible results and make use of the expertise and political wisdom that reign in Parliament to support the Commission – and, I would expressly observe, to support a strong position taken by the Commission – to achieve satisfactory outcomes in the debates with the Council.

This issue of open declaration has come a long way. We are now amending a directive dating back to 1979, when open declaration, which existed in Germany at any rate, was abolished at European level, and since which time I have also been active in this field, attempting to make good what went wrong then. It is a long time, 25 years, since then, but patience is needed in politics as everywhere else. That we have achieved this result is surely due to there having been the BSE crisis, which made it clear that farmers have to know what they are giving as feedingstuff if they are then to take on the responsibility for the feeding of their animals. This catastrophe has taught us, in the meantime, that everything we feed to animals is itself in the food chain and is – admittedly by a circuitous route rather than directly – fed to human beings as well. This makes it a matter of urgency that farmers should know what the feedingstuffs contain.

We then asked you, Commissioner Byrne, and also Mr Fischler, within the framework of the parliamentary procedure to install the Commission in office, where you stood on open declaration. At the time you said: "Yes, open declaration should come into being." Indeed it did, but it took another two-and-a-half or three years for the legislation to be tabled. But a good thing is worth waiting for. As I have said, the Council then withdrew the good proposal from the Commission, in which the only improvement we had made was to the positive list, and the Commission agreed to the Council's proposal for a less precise declaration to be implemented.

The result we have achieved is a change of direction – a change to the right direction. We now have open declaration. The 15% tolerance takes account of the industry's supplies and actual practice in order to avoid the possibility of partial rejection of feedingstuffs, but we have also made it possible for farmers to be told on request the exact composition of fodder and feedingstuffs. We have likewise obliged the Commission to supply us with a positive list, or at least a draft positive list, by the end of next year, so that we can achieve a positive result in this area within the life of this Parliament. There must be stipulations as to what can find its way into feedingstuffs.

I would like, finally, to express my warmest thanks to my colleagues, most especially to Mr Friedrich, the Vice-President, who chaired the Committee, but also to Mr Kindermann. The three of us made up the negotiating delegation, and I must say that if we had not brought such determination, such a common mind, and what was almost joy, to the work in order to show for once that we too were in a position to turn our thoughts into words and laws, then all this would not have been possible. So, many thanks. I believe we have done a good job, and it was interesting to take part in a conciliation procedure of this sort. We did, admittedly, say that a mountain had roared and brought forth a mouse, for, in view of what was up for negotiation, a gigantic effort was involved. But it was good, too, to get an insight into something like that. So, to all who took part, including our other colleagues, many thanks. This result is something we can face our countries and our electors with.

1-128

**Mayer, Xaver (PPE-DE).** – (DE) Mr President, Commissioner, ladies and gentlemen, there is a saying that what is good is worth waiting for, and Mr Graefe zu Baringdorf, the rapporteur, has referred clearly to the never-ending story of the matter under discussion. It is specifically with reference to co-decision that it has at last been made clear that Parliament keeps on coming up with good ideas that find their way into work like this report on the never-ending story about the declaration of compound feedingstuffs. We must be clear in our own minds that we are dealing here with large quantities, and therefore with a lot of money – not the European Union's money, but that of our partners in the market.

We are dealing with a volume of some 400 million tonnes of feedingstuffs, and it will help us to grasp how much we are talking about if we note that half, about 200 million tonnes, is made up of commercial feedingstuffs, and compound feedingstuffs make up two-thirds of that, some 115 million tonnes. As Mr Graefe zu Baringdorf pointed out, the conciliation procedure eventually achieved a satisfactory result on the most important points at third reading stage by involving all interested parties – something which I should like very much to commend. As Parliament demanded, there is now open quantitative declaration, and, although the 15% is in my opinion at the upper edge of the margin, consensus has nonetheless been reached. It was also clearly stated that the producer, must however, and I see the 'must however' as very important here, state the exact percentages involved at the customer's request.

Thirdly, there is the positive list. About 20 000 components have been mentioned, and the drawing up of this positive list may well be a difficult task, but it will, I think, be an interesting and important one. More time has been conceded, and even more for formulation following the directive's implementation, but it is, I think, important that it should happen that

way. Perhaps the evaluation report would present the right opportunity to introduce further improvements, such as, for example, the possible certification of the producer of the compound feedingstuffs.

There is one more point I would like to mention, namely that the first positive list, to look at things in a European perspective, was the so-called purity law for beer. As I have said before, it was instituted in 1486 in the area I come from, and made applicable to the whole of Bavaria in 1516. It was a fine positive list for the production of beer, and you should put all your drive and ambition into drafting an equally good positive list for compound feedingstuffs.

So, then, particular thanks and appreciation to the rapporteur, to the chairman of the Conciliation Committee, Mr Friedrich, Mr Graefe zu Baringdorf and Mr Kindermann for the tough and persistent negotiations.

1-129

**Kindermann (PSE).** – *(DE)* Mr President, Commissioner, ladies and gentlemen, most of us agree that we achieved a very good result in the Conciliation Committee. I therefore wish, on behalf of the Group of the Party of European Socialists, to congratulate, above all, the rapporteur on his commitment to the matter in hand and, most of all, warmly thank him for cooperating so well with his other colleagues, too.

If the result is confirmed by this House as a whole, it will represent a further significant step towards greater transparency and safety in the production of feedingstuffs. In addition to this proposal for a regulation, though, there are other reports which also deal with feedingstuffs and with regard to which negotiations are currently in progress between Parliament, the Council and, above all, the Commission. I am thinking here only of the draft regulation on animal by-products not intended for human consumption – especially Category III, but also of the future use of leftovers from meals and waste from the production of foodstuffs.

I do think that it should continue to be possible to use these by-products, processed under secure conditions and subject to strict controls and, above all, with the stages in processing being effectively monitored, as high-quality feedingstuffs in pig and poultry production, unless the results of future scientific research suggest otherwise. I look forward to the same willingness to compromise, not only on the part of Parliament, but also on the part of the Commission and of the Council, as was demonstrated in the process that we are discussing this evening.

1-130

**Pesälä (ELDR).** – *(FI)* Mr President, Commissioner, on behalf of the ELDR Group I too would like to start by warmly thanking chairman Graefe zu Baringdorf and our consultative committee, which carried out very valuable work and demonstrated in an exemplary fashion that when one believes in what one does and makes strong efforts on its behalf, one will reach one's goals. Here, Parliament achieved what it wanted. This is a very important matter from the point of view of the farmers; these are the people who in their everyday work have to deal with these matters, and this information is very important to them.

As Mr Graefe zu Baringdorf stated, in Germany open declaration was eliminated in 1979, while here in Finland it was eliminated in 1995. Now it is being reinstated. The only matter which generated debate and which deserves a moment's consideration is this list of permitted substances, and, in particular, the fact that the various ingredients change all the time. These include the byproducts of the food industry which Mr Kinderman mentioned; new feedingstuffs arrive all the time, while others disappear. For this reason, some sound common sense will be called for here. We must take thought and find out what is right and what is good, and only after that, on the basis of experience, must we go about implementing matters.

Once again my warm thanks go to the consultative committee, which carried out splendid work from the viewpoint of Parliament and, particularly, from that of the farmers.

1-131

**Fiebiger (GUE/NGL).** – *(DE)* Mr President, I, too, am of the opinion that this was a good report, and that the result from the Conciliation Committee opens the way to implementation, which, however, I am sure will take some time yet. The Community's Member States are still, in any case, responsible for the monitoring of feedingstuffs, and, as the parties in this whole process represent very diverse interests, it will be necessary, within the foreseeable future, to discuss monitoring programmes which will standardise supervision of feedingstuffs composition and norms across the board.

I am grateful for the key data laid down in the Conciliation Committee, which is in line with my own experience. What worries me, though, is the apportionment of costs, specifically the costs of the declaration itself and for the monitoring of it. I wish to put on record my opposition to the costs continuing to be offloaded onto the farmers. I take the view that the transparency principle means that implementation of the procedure must involve the producers of feedingstuffs, its importers, dealers in it, and, above all, those who monitor it – who will be numerous – also themselves guaranteeing the apportionment of their costs. It is also my opinion that there should be safety standards in the production of feedingstuffs to guarantee and safeguard the health of people and animals, ensuring that no products come onto the market that are dubious from the point of view of health and consumer protection, which, of course, presupposes the principle that good technical production practice does not start, and is not interrupted, at purely arbitrary points.

I do think that apportionment on this basis at every production site must prove itself in the next few years and I hope, after this report and after the positive result achieved in the Conciliation Committee, that there will not be another scandal somewhere or other in the foreseeable future, whether in wine, honey, or the many feedingstuffs we can expect to be listed, be they positive, negative, coloured green or anything else, for the list will surely be an enormous one.

1-132

**Redondo Jiménez (PPE-DE).** – (ES) Mr President, Commissioner, Madam President-in-Office of the Council, I would like to congratulate the European institutions and the members of the conciliation committee who, under the presidency of Mr Graefe zu Baringdorf and Mrs Neyts-Uyttebroeck – who I would have liked to have been here –, who have been able, sparing no effort, to unite differing views in order to reach a reasonable compromise between the two basic positions which initially seemed incompatible. That is to say, firstly, the obligatory declaration of all raw materials, with a tolerance level of 15%, and the obligation of feed producers to communicate the exact percentages, whenever required by animal farmers, to which I believe we should add a time limit, set previously in this legislation, and, secondly, the positive list – which all the previous speakers have mentioned – which the Commission must present before the end of 2002, once the viability studies have been carried out.

When it comes to restoring consumer confidence, following the recent food crises (BSE, dioxins, etc.) absolute transparency is necessary, even indispensable. However, ladies and gentlemen, this is an example of how, within the scope of the codecision procedure, it is possible to reach reasonable agreements – good agreements, I would say – and we in the Committee on Agriculture and Rural Development will therefore continue to ask the Council to gradually extend that procedure to all legislative actions in the field of the Community's agricultural policy.

1-133

**Schierhuber (PPE-DE).** – (DE) Mr President, Commissioner, ladies and gentlemen, let me start by warmly congratulating the rapporteur and Parliament's Conciliation Committee, whose stubbornness has in the end produced a creditable result. Almost two years of negotiations with the Commission and the Council within the framework of the conciliation procedure have at last enabled us to reach a compromise on regulations on the labelling of compound feedingstuffs. When this House votes tomorrow on this directive, it can do so, I believe, with its mind very much at ease.

I see this directive as proof that Parliament must in future have a right of co-decision in agricultural matters as well. As we are all aware, the crucial issues were the open declaration, the positive list and an evaluation report. Parliament's main concern was to lay down exact regulations on labelling that would provide for compulsory details of both the quantity and quality of ingredients. Even with the Council, which did not originally share this position, a compromise text could eventually be agreed on, according to which the ingredients must now be stated by percentage of weight with a margin for error and according to which farmers must be given the exact percentages if they request them. This binding statement of permissible ingredients is the only guarantee that consumers can in future have greater confidence in farmers' products, and we farmers know how much we need consumers' approval and trust.

The positive list to be produced by the end of 2002 should make that possible. On the positive side, I would like to make the additional observation that Parliament must also be involved in any future amendments to the directive.

1-134

**Jeggle (PPE-DE).** – (DE) Mr President, Commissioner, ladies and gentlemen, having gone through two readings and the conciliation procedure, the report on the circulation of compound feedingstuffs now prescribes the open declaration, and the Commission has to produce a proposal for a positive list for feedingstuff ingredients by the end of 2002. Both these points had been at the core of Parliament's concerns, but had initially been rejected by the Council.

Mr Graefe zu Baringdorf's report is the very model of successful legislative work by Parliament and the Council. In spite of all the differences between the political groups, constructive collaboration made it possible to draw up points that were important to us members of Parliament's agricultural committee, and the final result was a positive one thanks to circumspect negotiations in the conciliation procedure, guided by our Vice-President, Mr Friedrich, whom I would like to take this opportunity of warmly thanking. This was the right step in the right direction. Not only was it possible for Parliament to see its two core concerns accepted, but the Council also had positive elements to contribute. The possibility of a  $\pm$  15% tolerance margin for feedingstuff ingredients is something I see as acceptable, in that the manufacturer must state the exact percentages at the customer's request. Equally in line with good practice is an evaluation report after three years and, if need be, adjustment of the tolerance margin in the light of scientific and technical developments. It would be desirable if we could make greater future use of the co-decision procedure on CAP matters and continue to work together as constructively.

Whatever our successes, I would like to conclude with the single warning that good European rules are of no use unless they are monitored. The BSE and dioxin crises do not in some way reflect faults in European regulation; they were, rather, the result of criminal and questionable practices, which we must counter with determination and in new ways.

1-135



**Byrne, Commission.** – Mr President, honourable Members, we all agree that agribusinesses in the EU should maintain their commitment to satisfy the legitimate expectations and demands of both the farming community and consumers. The marketing of compound feedingstuffs today has certainly improved in terms of traceability and transparency of composition – two issues of great concern for our major customer, the European citizen. These principles can apply to all feeds to animals. Mr Graefe zu Baringdorf says farmers must know what is in their feed, Mr Kindermann applies this to slops and waste and catering waste and I fully agree with those statements. This piece of legislation is one of the milestones needed to build certainty and confidence. Farmers are entitled to basic information to be able to properly inform their customers.

From the very beginning, the Council encountered great difficulties in agreeing on a common position. Most Member States were opposed to this obligation and the positions of Parliament and the Council were quite far apart. At the time, with a view to reaching a compromise, the Commission accepted the Council's position which finally had the unanimous support of all the Member States. This led to a difference in view between Council and Parliament after the second reading in April. I am pleased, however, that an acceptable solution has been found in the conciliation with the declaration of all feed materials under their specific name indicating the exact percentages with a tolerance level of around 15%.

However, as regards the demand for a positive list of feed materials, I have already on several occasions outlined the Commission's reservations. This concerns especially the deadline of presenting a proposal by the end of next year. This task is very complex. The Commission has already launched a feasibility study on this issue. The call for tenders was published last June and the contractor is currently working on the matter and will also contact Members of this Parliament.

I accordingly undertake to send the report on the outcome of this study to the Council and Parliament as soon as possible and in any case before 31 December, 2002. I cannot, however, guarantee that I will be in a position to present a legislative proposal on the establishment of a positive list. For this reason, it has been necessary for the Commission to make a declaration on this subject.

1-136

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

The debate is closed.

The vote will take place tomorrow at 11.30 a.m.<sup>3</sup>

*(The sitting was suspended at 9.30 p.m.)*

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<sup>3</sup> *Agenda for next sitting: see Minutes.*