

SITTING OF WEDNESDAY, 15 SEPTEMBER 2004

IN THE CHAIR: MR BORRELL FONTELLES

President

(The sitting was opened at 9.00 a.m.)

1. Seizure of hostages and massacre in Beslan and the fight against terrorism

President. The next item is the debate on the Council and Commission Statements on the seizure of hostages and massacre in Beslan and the fight against terrorism.

Bot, Council. Mr President, last Saturday we commemorated the fact that the world suddenly changed three years ago. In this presentation, I would first like to look back and explain the basis for our policy, then address the current situation in the fight against terrorism before going into the work programme of the Dutch presidency. I will end with a few words on cooperation with Russia.

Since 11 September 2001, it has become clear that terrorist attacks are closer to us than we wanted to believe. It is a threat that we cannot neglect. We have all seen the horrific terrorist attacks on television. We are witnesses to these attacks and are also jointly responsible for ensuring that they do not happen again. What we have seen, both outside the European Union – in Jakarta, Beslan, Iraq, Afghanistan and the Middle East – and inside the European Union – in Madrid six months ago – requires action now and in the future. Every attack poses new questions which require new answers and pose new challenges that we have to address jointly through concrete action. We need to protect our citizens better. We need to continue to look at our policy instruments in close cooperation with others. There are no quick fixes for terrorism. In the long battle against terrorism, two key words spring to mind: protection and cooperation, as well as the idea of protection through cooperation.

On protection, the European Union has done a lot in the last three years. We have improved our legislation and widened our policy instruments. We have drawn up and implemented new measures to protect borders, aircraft, etc. We have started to put security first, also at international level.

On cooperation, the terrorist attacks have taught us that internal and external security cannot be separated: they are two sides of the same coin. There are two basic reasons for this: firstly, terrorism does not stop at borders and, secondly, terrorism is a global threat: it can happen – and indeed has happened – anywhere in the world. True protection can therefore be realised only through international cooperation. We also have to look carefully at whether our approach matches those of our partner countries in order to create sufficient possibilities for close cooperation. National and international action should be dovetailed for their mutual strengthening.

Terrorism is an attack not only on our political and economic freedom, but also on our norms and values: liberty, democracy, tolerance and the rule of law, values that we have to defend. Terrorism is also not just an attack on western values, it is an attack on universal values which form the foundation for the United Nations. The only way to defeat terrorism is to confront it. We must therefore be strong and active to fight this many-headed monster. There might be a temptation to believe that any measure could be used in this fight. But here, we have to be cautious. In our common fight, we should uphold the norms and values that terrorism is seeking to destroy.

Terrorism to a large extent boils down to security, which is the core of our existence. A new approach to security has been developed, through various processes, with a view to taking more conclusive action against terrorists and preventing new attacks. The UN is at the core. UN Security Council Resolution 1373 has forced countries to improve their policies on terrorism, not only in word but also in deed, not only by improving old legislation or by drafting new legislation but also by implementing it. The resolution contains *inter alia* measures to combat the financing of terrorism and promotes efforts that should lead to the prevention of terrorism and the punishment of terrorists. The counter-terrorism agenda, incorporated in UN Security Council Resolution 1373, should therefore be considered to be the most important global point of reference for action – action that has to be taken by all United Nations Member States.

Within the European Union, the European Council and the General Affairs Council – as well as other Council formations such as the Justice and Home Affairs Council, the Transport Council and Ecofin – has actively

worked, from 9/11 onwards, on setting up, implementing and refining an extensive EU action plan. Amongst other things, this involved a European arrest warrant, joint investigation teams, Eurojust and legislation on terrorist financing.

We have also been active as regards external policy. The key issue of security is at the centre of the European Security Strategy, which should contribute to a stronger multilateral system. It should address various threats – including terrorism – through active, more coherent internal and external action, with stronger capacities and in close cooperation with our partners.

We have also decided to include a terrorism clause in new contractual relations with third countries, similar to the human rights clause. This will allow us to hold serious consultations with third countries which are not fully observing their international obligations in the fight against terrorism, including with regard to the implementation of Resolution 1373. By adopting the carrot-and-stick approach – carrots taking the form of assistance – we use the political and economic power of the European Union in the fight against terrorism.

I turn now to the presidency programme. The work programme of the Netherlands presidency in the field of counter-terrorism is extensive and wide-ranging. In addition to a strong focus on implementation of EU measures and legislation, it entails new initiatives in many fields. An important tool in this matter is the EU Counter-Terrorism Action Plan. It was adopted by the European Council after the horrendous attacks in Madrid last March. The presidency works in close cooperation with the EU Counter-Terrorism Coordinator, Mr Gijs de Vries, to implement and complement this action plan.

Key areas in which we, as presidency, want to take substantial steps forward are Justice and Home Affairs, improvement of cooperation between intelligence services, prevention of terrorist financing and strengthening of the EU's external policies and counter-terrorism.

On Justice and Home Affairs, we will focus on the implementation of measures like the European arrest warrant. We also need to improve the way our intelligence agencies work together. Having good information on what terrorists are planning and preparing to do is our first line of defence. The EU Action Plan already outlines some of the steps that we intend to take and Mr De Vries is fully engaged in this process. We are in the process of strengthening the EU Situation Centre that will be instrumental in pooling analyses on terrorism in Europe. We also need to strengthen the role of Europol and make sure it can play its role. In the near future, the European Union Justice and Home Affairs Ministers will sit with their US counterparts to see how we can strengthen transatlantic cooperation in the fight against terrorism.

The prevention of terrorist financing is high on our agenda. Even though the EU is at the forefront of the fight against terrorism, we cannot sit back and relax. Money is the life-blood of terrorism and we need to reinforce our financial systems to make sure that they are not abused by terrorists. The third Money Laundering Directive is a fresh step in this matter. We also need to strengthen our policies to freeze assets of terrorists. We therefore seek to make the EU Clearing House more effective and to secure better implementation. Finally, we will be looking at ways to prevent cash couriers from circumventing banking regulations by taking their money in cash across borders.

In our external policies we want to make sure that the resources of the Union are being used to their full extent in order to work with other countries in the fight against terrorism. As I have already said, terrorism is a phenomenon that does not respect international borders. It is our firm belief that we must work with third countries to promote the ratification and implementation of UN counter-terrorism conventions and to use political dialogue and technical assistance to support countries willing to cooperate. The EU is already active in Indonesia, the Philippines and Pakistan, where it is implementing specific programmes. The EU also operates other programmes in various countries with a view, more generally, to strengthening their judicial systems. We feel that the EU should do more and therefore we are talking to a number of key countries to explore how we can enhance our cooperation.

That brings me to terrorism in Russia. Russia is very worried about the threat of terrorism, and rightly so. But, more than a mere worry, this is a true problem for Russia, which has suffered three major attacks in little more than a week. We must show – and indeed have shown – our sympathy. It is clear that the European Union has always systematically condemned all acts of terrorism. The Russians deserve all the support we can give them. Hence we stand by Russia to assist it in its efforts to fight terrorism. In our relations with Russia, we already discuss counter-terrorism on a regular basis. We stand ready to increase cooperation on a technical level and to share the counter-terrorism experience that we have gained in the EU. We will use the regular dialogues that we have with Russia to discuss how to proceed in this matter. We are willing to discuss anti-terrorism strategies and methods with the Russians so that we can learn from each other.

This cooperation forms part of our overall strategy to strengthen relations between the European Union and Russia. It is part of our goal to make tangible progress on all four common spaces at the next summit on 11 November. In the field of external security, we have made progress. But the interaction should go hand-in-hand with building up cooperation in the common space of internal security.

The terrorist attacks have prompted Moscow to continue to regard Chechnya as a predominantly anti-terrorist issue. This gives rise to concern. We have been consistent in our position that human rights should be respected in the fight against terrorism. Indeed, the European Union has a clear position on the situation in Chechnya. We will continue to present this position to Russia in future.

As to the terrorist attack in Beslan, I will be brief. We have fully and unconditionally condemned this attack and have offered our condolences to the relatives of the victims, the Russian Government and the Russian people. We therefore fully supported your initiative, Mr President, for schools all over Europe to respect a one-minute silence at noon yesterday in commemoration of the victims of this terrorist attack. In that way our children were able to show the world their grief for its victims and their worries about terrorism. It is now up to us, the politicians, to translate these worries into further concrete action and to reinvigorate our fight against terrorism while respecting our core values.

(Applause)

Patten, Commission. Mr President, let me begin where the Foreign Minister of the Netherlands concluded and make it clear that no-one possessed of any shred of humanity could be other than appalled and deeply saddened by the tragic events at the school in Beslan in North Ossetia two weeks ago. I reiterate the Commission's condolences to the people of Beslan. I also unhesitatingly and unreservedly condemn terrorist acts wherever they are perpetrated. Attacks on civilians are always contemptible. When they deliberately target children, they plumb new depths of atrocity.

Sadly, this event, as the presidency noted, was not isolated. In recent months, Russia has suffered several terrorist attacks, with targets ranging from the Moscow metro to domestic passenger flights. The sequence is deeply disturbing, and the Commission has of course expressed its readiness to intensify our work with Russia to combat the very real terrorist threats that it faces. We are, to take one example, already working with Russia to combat the financing of terrorism, by helping Russia to improve its efforts to tackle money laundering.

We want ideally to pursue those efforts as part of our much-vaunted 'strategic partnership' with Russia, as part of a process of dialogue. Dialogue inevitably involves questions. Real help comes only with understanding, and understanding comes only with clarity. What happened in Beslan is still not fully clear, at least to the outside observer. Who were those involved? How did the hostage-takers plan and execute this horrific act? What provoked the storming of the school? Why was the number of casualties so high?

However, the link with Chechnya is clear. Events in Beslan followed an intensification of rebel attacks in both Chechnya and Ingushetia since the spring. The current conflict, now in its fifth year, has been a vicious affair, with widespread human rights abuses and the targeting of civilians by both Russian armed forces and rebels. Many civilians have simply disappeared. The conflict has caused a massive humanitarian crisis and has laid the economy waste.

We should all recognise, however, that this is not the time to read Russia lectures about Chechnya. This is a time of grief and shock. We have had, and will continue to have, our differences with Russia over Chechnya. We have made, and will continue to make, those differences clear in our meetings with the Russians, and to discuss them. That is what partners do.

For the Commission, there are two principles that guide cooperation with Russia on terrorism. First, it is equally – if not more – important to work together to prevent terrorism, by which I mean addressing its root causes. Second – and I strongly endorse what the Foreign Minister has just said – human rights are paramount and must be respected. The fight against terrorism does not justify or excuse the violation of human rights. Rather, it is strengthened by a demonstrable respect for the human rights of all citizens.

I noted a remarkable statement the other day by the Chief Justice of the Supreme Court in Israel. He was giving a judgment on the security barrier. What he said reminded me of what we share fundamentally with Israel, whatever our criticisms of the present government's policies. Democracies, he argued, have to fight with one hand tied behind their backs. That is true. But it is also true that the moment you behave like the terrorists, you undermine your moral authority and you augment the number of citizens who either actively or passively support them.

So when we return to discussion of Chechnya, we should continue to make clear our support for a political solution to the conflict, which fully respects Russia's territorial integrity. But we should do so in a consistent, intelligent way that does not risk changing from presidency to presidency, and that recognises the complex nature of ethnic conflict in the whole of the Caucasus.

I note in passing that we and our Russian partners need urgently to come to a shared understanding of this point. Territorial integrity and stability matter throughout Russia's near abroad, in the southern Caucasus as much as the northern Caucasus. They matter in the near abroad as well as within Russia itself. A shared recognition of that would do much to make our common neighbourhood a safer place.

For our part we should recognise that no-one sensible in Russia could or should want to return to the Chechnyan status quo of the years immediately before 1999. They remember what that was like, and what it led to. So should we. It was appalling – a community that exported gangsterism.

So the Commission welcomes efforts to rebuild properly functioning public health, education and administrative systems, but we have no illusions. This is the start of a very long journey, which will only be lengthened by the siphoning off of reconstruction funds by corrupt officials, by the apparent manipulation of elections and by a failure to protect human rights and the absence of dialogue.

The challenge for Russia is to put in place a leadership in Chechnya in which the population of Chechnya has confidence. Without this, there can be no lasting, genuine reconciliation, which it is clear the majority of the population wishes to see. We can help in this, in a modest way, supporting efforts to promote reconstruction and institution-building in Chechnya. I repeat the Commission's readiness to provide funds for reconstruction and rehabilitation in the north Caucasus, as soon as the security situation permits, and once a needs assessment mission to Moscow and the north Caucasus can be undertaken. But ultimately that, and any lasting resolution of the Chechnyan tragedy, depend on the pursuit of far-sighted, humane and resolute policies in Moscow. I hope they are forthcoming and that the government of the Russian Federation will not conclude that the only answer to terrorism is to increase the power of the Kremlin. Frankly, there is not much good history on the side of that proposition.

(Applause)

Pinheiro, João de Deus (PPE-DE). – *(PT)* Mr President, making a speech is always easier when you can say that you agree with the previous speakers, in this case, the Presidency and the Commission. Almost everything has already been said on the subject of terrorism, following 11 September, 11 March and now the Beslan tragedy. This is no longer merely a case of terrorism, it is a new reality that I would call hyper-terrorism, in which not only civilians, but also children are used as a terrible means of achieving aims. In the circumstances, Mr President, ladies and gentlemen, what can be said is very simple. First and foremost, we must insist that institutions and governments act firmly. We cannot accept, under any circumstances, any neutrality from an institution or State in the face of an act of hyper-terrorism of this nature. It is not only governments that must work together; we must demand that all governments and institutions work together in the fight against terrorism and hyper-terrorism. The firmness that we demand, as has been mentioned, must never, however, be at the expense of what makes us strong and what we strive for, which is democracy, the rule of law and human rights. This is an area in which we must not make any concessions. We do not want to establish police states anywhere, not even in those States with the greatest justification for so doing, because if we were to go down that road we would lose, as has already been said, all of our moral strength. What we need, in addition to firmness, is, therefore, closer cooperation and, at the moment, we feel that there is room for improvement in this area, firstly as regards intelligence, but also as regards the flow of money that is behind terrorism. The questions of who is funding this flow, and how the money is circulating around the world must be investigated in much greater depth than has until now been the case. The European institutions are alive to the problem. I applaud the work done in the Commission, in particular by Mr Vitorino, and this work should be carried on even more thoroughly. I shall finish, Mr President, by saying that in our view terrorism has always been a struggle against democracy, freedom and the rule of law, which are the very cornerstones of our European Union. This is one of the main reasons why we should combat it together.

Schulz (PSE). – *(DE)* Mr President, ladies and gentlemen, as Commissioner Patten said just now, this is a time of grief and not the time for us to read Russia lectures, and on that I very much agree with him. Nobody speaking in this debate can banish these images. I think we can all readily comprehend what it means when, in a particular town, not one single family is not lamenting a victim, and most of those families have lost children. We have to imagine that; there is a place on this earth, in which there is not one family that has not lost a child – grandchildren, nephews, nieces, the children of the family itself. Beslan will have to live with

that trauma for a long time, and not just Beslan; we will all have to live with that trauma for a long time. The media world, in which we are at home, is fleeting and happy-go-lucky; today, already, other images are making the news.

So I want to take up something Mr Cohn-Bendit has said, something that I think is very astute. 'A Rubicon of terrorism has been crossed', he said. That is a fact; indeed, it has been. For the first time, we have seen in terrorism something characterised by two elements. It is actually an unwritten, but self-evident law of humanity that says that children are not to be targeted by such actions. Until now, as I recall, it was a fact of terrorism, albeit not of war, that children were not attacked. For the first time, something has been introduced, something that says: 'We don't care; we'll take a whole school hostage, and we're not interested in what happens to the children'. So it is that the end justifies the sacrifice of children; a Rubicon has indeed been crossed, and it is this against which we must defend ourselves. That is why I want, in this debate, to draw attention to something: as we all know how these terrorists think, we also need to make two connections here. There is, quite obviously, a connection between Chechnya and Islamic terrorism, with the idea being to use Chechnya and Ingushetia, regions with predominantly Muslim populations, as a means of taking the conflict to North Ossetia, inhabited by a different faith community, the object being to multiply the conflict two-fold. When, however, children were taken as hostages, the result was an effect that has gone unnoticed by our media. The fact is that, for the first time in a long time, in not one Arab country were there demonstrations in the street in support of this act of terrorism. Throughout the Islamic world, not one newspaper failed to condemn this act. Even the most radical of Islamic leaders anathematised and repudiated this sort of terrorism. It is in this element that there lies, certainly, an opportunity to revive a dialogue that has evaded us. If we can spot a lowest common denominator – and I believe that we can – then it is our shared repudiation of this sort of terrorism, and that smallest common denominator is also an opportunity to begin dialogue, an opportunity that we must make use of. That is why our group has discussed the need to draw the logical conclusions, to actually avoid talking only in terms of cultural confrontation, and instead seize opportunities for inter-cultural dialogue wherever they present themselves, even if it be at a moral nadir such as this one.

To all the perceptive things that have been said here, I want to add that there is a particular question facing the governments of our Union, in this House and particularly here. It is this. The European Parliament was broadly unanimous in supporting those states that rejected pre-emptive warfare as a means of conducting international policy and as a model for conflict resolution. We will shortly be discussing Iraq and the failure of the approach according to which international crises and conflicts can be resolved by pre-emptive strikes. To be consistent, though, we then have to say that such crises are no better dealt with by nullifying the democratic system, by abolishing the rule of law, or by reintroducing authoritarian structures.

While it is not for us to give Russia advice, anyone who reintroduces the death penalty absents themselves from our platform of action, which we in this House, let me add, share with our counterparts in the Council of Europe. That, too, is the honest thing to say, and if we cannot say that to a friend, then I think it is already too late, but, as we have friends in Russia, and as Russia is Europe's most important partner, that must be said loud and clear. Pre-emptive warfare is no more use than the reintroduction of authoritarian structures.

(Applause)

Koch-Mehrin (ALDE). – *(DE)* Mr President, ladies and gentlemen, we are horrified by the terrorist atrocity in Beslan. We abominate and condemn it without reservation. The brutality meted out to children, parents and teachers beggars belief; these terrorists are not freedom fighters, but cynical murderers.

Like all Europeans, we MEPs are entitled to ask how this tragedy came to pass, and whether it was unavoidable. Who was it who sowed the seeds of such terrorism, which kills so many of the innocent in such terrible ways, in Beslan and in a Moscow theatre a year ago? Who is actually behind the aircraft crashes in Russia? Questions such as these do nothing to diminish our solidarity with the victims and our horror at the hostage tragedy.

There is no simple solution in the war on terrorism, for it goes far beyond the bounds of war as we know it, and is also far more complex than what was known as the Cold War. There are no defined battlefields, the foe is not readily identified, and that is what makes simple answers such as military intervention so ineffective.

Terrorists must be hunted down ruthlessly, no question about that, and nobody doubts it, but it is not enough to combat the symptoms; we have to get to the causes of this war. The Russian Government must learn from the catastrophe of Beslan if the vicious circle of violence in Chechnya is to be broken. In this situation, warlike behaviour bars the way to a peaceful and democratic end to the conflict. For as long as the people of Grozny

have no hope of a normal life, there will continue to be a perverse incentive for more terrorism. President Putin is playing tough, but he is not taking the tough road that a political solution would be, for his government seems not to believe that a political solution for Chechnya is possible. We are left with the lie of an unwinnable war.

This week, President Putin announced amendments to the Russian constitution, effectively removing the elements of democracy from the country's political system. That is no real war on terrorism, but it is Putin's – a war on the political diversity that Russia needs so desperately, and his stronger government makes the country no safer.

We Liberals and Democrats are convinced that we have the right and the duty, as the representatives of the people of Europe, to speak out on Chechnya and to speak up for democracy and the rule of law. It is not enough to relegate Chechnya to the small print in the margin, and that is why we find it regrettable and deserving of criticism that the Socialist Group and the Group of the conservative Christian Democrats have blocked a resolution of this House on this important subject. We must not take the manipulation of elections and the ongoing violation of human rights lying down. Nowhere in the world can we allow the idea of pre-emptive war on terror to take root, for it leads down a dead end. We believe in the universality of human rights and in the rule of law.

If the European Union is to have the genuine partnership with Russia that it seeks, Russia has to be prepared to rethink its policy on Chechnya and find the courage to change tack.

(Applause)

Cohn-Bendit (Verts/ALE). – (FR) Mr President, ladies and gentlemen, we are all agreed that this attack in Beslan was monstrous, and that those who perpetrated it showed themselves to be monsters by taking children hostage and demanding that their mothers should decide which children should die and which should survive.

Taking that as our starting point, there are two options open to us: we can say that these monsters must be fought, which is a self-evident truism but rather simplistic, or we can ask ourselves how human beings could become monsters. The Chechens who carried out this operation were not born monsters, but became them. Who made human beings into monsters? That is a legitimate question, and, in Chechnya, a colonial power has for years been waging a colonial war that, day after day, brings forth monsters. If we want to talk about how to put a stop to the barbarities of terrorism, we have to start by looking at how to put a stop to the barbarities of this colonial war. History has taught us what colonial wars are like. The atrocities committed by the Algerians against the French were barbaric. Colonial wars bring forth barbarians. The problem is with finding a way to end the barbarism, and here it is not enough to say that we are going to pour more money into the war on terrorism; we have to ask what we Europeans are going to put into the political balance in order to put a stop to the barbarism.

In this context, the role we can play is that of political mediator between the Russians, who are incapable of coming up with a political solution, and the Chechens, who cannot extricate themselves from terrorism. That is why we call for a condemnation of Putin. What does the reform of the regional election process have to do with terrorism, or with the fight against it? Nothing. It does, however, have something to do with the power of a tsar whose democratic legitimacy is dubious. The Russia of today – it has to be said – is in the process of leaving democracy behind.

Turning to Chechnya, when there is talk of a political solution, we have to know with whom one is supposed to negotiate. A political solution will not be found in Russia alone; there must be partners on the Chechen side with whom it is possible to negotiate. If everyone – the terrorists and the Chechens who propose political solutions – is treated in the same way, that is to say, as terrorists, there will be no political solution, because there will be nobody to negotiate with. Negotiations will have to involve Mr Zakayev, they will have to involve discussing his proposals and recognising him, and it is only right that the European Union should recognise him and prompt him to abandon and denounce terrorism; he has to be treated as a political partner, as an enemy with whom it is necessary to negotiate. Negotiations are always conducted with enemies and never with friends. With friends, one organises surprise parties, if one feels in the mood for them; one does not conduct political negotiations with them.

It is for that reason, Mr President, that the Group of the Greens/European Free Alliance is proposing Natalia Estemirova for the Sakharov Prize. The daughter of a Russian father and Chechen mother, she is in Grozny fighting the good fight for the recognition of human rights: a symbol in herself! She is a member of

the 'Memorial' group that produced Andrei Sakharov, in whose spirit, and with whose friends, she campaigns. I hope that this House will find the strength to say that there is a solution other than terrorism to the conflict in Chechnya, and Natalia Estemirova would be the symbol of political action on its part in the face of this tragic situation.

(Applause)

Wurtz (GUE/NGL). – (FR) Yesterday, Mr President, the President of this House expressed on behalf of all of us our profound indignation at the monstrous hostage-taking in Beslan.

Having radically and unanimously condemned terrorism, it is now for us to speak out equally clearly on the roots of these appalling outbreaks of violence, on the results of the much-vaunted war on terrorism, which was launched in order to curb them, and on the EU's responsibilities in this crucial context.

These questions, however, arise in a very similar way in respect of the Caucasus, Iraq and the Middle East. Mr Bush, Mr Putin and Mr Sharon are taking the same strategy further, with the same catastrophic results.

The roots of terrorism, of course, lie in a state of permanent war, with bombings and acts of destruction and humiliation, when these are not acts of barbarism committed by occupying forces. Claiming to wage war on terrorism, one ends up waging war on peoples. Putting them through hell does indeed beget monsters.

The outcome of this alleged war on terrorism is therefore the same in each of the cases to which I have referred. Vladimir Putin gained power by promising to restore order. Five years on, the Caucasus is ablaze and the blood is flowing as far as Moscow. Ariel Sharon promised his people security and peace. Since then, the people of Israel have been living in a climate of fear, division and confrontation, while Gaza, locked in and exhausted, is rapidly becoming another ticking time-bomb. George Bush saw good as overcoming evil and contemplated extending democracy to the whole of the Middle East; now Iraq is sinking into chaos while the list of innocent victims gets longer from day to day.

What, then, is the EU's responsibility, in terms both of its values and of its own best interests? It is, in the first place, to be there, not as an inaudible entity, but as a recognised interested party; it is responsible, above all, for daring to sound the alarm when the world is falling apart before our eyes. It must not tremble at every frown from his lordship in the Kremlin. The accusation of interference carries no more weight today in the case of Chechnya than it formerly did in relation to Kosovo. It must also do away with the intolerable *de facto* immunity granted to the Sharon Government, which is openly defying the UN, the International Court of Justice and international law in general. Finally, it must denounce the unjust, illegal, and increasingly dangerous war in Iraq, formally call for the withdrawal of the occupying troops and, in general terms, adopt as its own for the future the principle that war should be banned as a way of sorting out the world's problems.

We should reflect on the words of Kofi Annan, who said: 'History is a harsh judge; it will not forgive us if we let this moment pass'.

(Applause)

Muscardini (UEN). – (IT) Mr President, ladies and gentlemen, the recent tragic events are among the latest unmistakable signs to bring the civilised world up against an obvious reality: the terrorist attacks of recent years have not been isolated incidents linked only by their cruelty and violence, but we are facing a war, albeit not a conventional one. It is a new war, because never until now have the forces of evil been mobilised on such a broad front and never has the civilised world, at all latitudes of the globe, found itself confronted with such widespread atrocity and such total indifference towards civilised values and principles. Never have children been struck down with such savagery and determination outside conventional conflicts.

It is time for us to get over the stunned reaction that we, the civilised world, have felt, for we have all been brought up to respect human dignity and civil rights and we cannot comprehend that there can be men and women capable of the acts of savage cruelty that we have witnessed.

They have declared global war on us using unconventional methods, and we must not forget that we were given many warnings, from the Dar es Salaam and Nairobi attacks to the escalation of the Taliban regime. One of the last warnings was given to this Parliament and the international community by Commander Massud, who was later killed on 9 September 2001, just a few months after his visit to Strasbourg and two days before the attack on the Twin Towers, the attack that marked the terrorists' official declaration of war on the whole civilised world.

We have to understand the reality in which we live. There are no more ambassadors to announce that we are at war, but there are bombs ripping our countries apart, child murderers and rapists, and new terrorists being recruited from within our own cities. Europe has a duty to listen to every voice raised in defence of the freedom of oppressed peoples, but it has to state clearly that terrorism must be fought and condemned with no ifs or buts, and that all those who justify, tolerate or support terrorism – surreptitiously or otherwise – must be isolated and that we must ensure that they can do no harm.

Now that with a sense of solidarity we are struggling to fight this new terrorism that has declared war on us, it is difficult to understand how neighbouring countries that we respect and love, such as France, allow a terrorist convicted in Italy for four murders committed during the tragic 'years of lead' to escape. Our national and European laws also need to be adapted to the emergency situation in which we are living.

Claeys (NI). – (NL) Mr President, Abdel Rahman al-Rashid, the director of the Al-Arabiya television station, wrote a remarkable opinion piece in the 5 September issue of the British *Sunday Telegraph*. Those who took children hostage in Beslan, he wrote, were Muslims, just as were the hostage-takers in Iraq, those who commit acts of violence in Darfur in the Sudan, Bin Laden and the suicide bombers who blow up buses, cars, schools, homes and other buildings all over the world. We cannot clear our name, he went on to say, until we acknowledge the shameful fact that terrorism has become an Islamic activity, a virtual monopoly operated by Muslim men and women, end of quote. Courageous Muslims such as Mr al-Rashid must be supported in saying such things. Above all, we must become aware that a global war is being waged on Europe and on the West in general, a war waged by Muslim fundamentalism against our European democratic values and lifestyle, and I am, alas, less than convinced that the European Union is in the forefront of the fight against terrorism, as Mr Bot has just said. Far more than is at present the case, there needs to be cooperation with the United States, with NATO and with such countries as Russia. Member States must work together more effectively in exchanging information and must adapt their legislation better with a view to combating international terrorism, or else things will go from bad to worse.

Mayor Oreja (PPE-DE). – (ES) Mr President, what happened in Beslan is fundamental proof that Islamist terrorism is now, and will continue to be, the main problem affecting coexistence amongst Europeans. It is not just an emerging problem. We must have no doubt that it will be an increasing problem.

The greatest risk facing us Europeans in relation to this phenomenon is that the European citizens may come to the conclusion that our reaction is fundamentally the failure to act, paralysis, doing nothing. That is the greatest risk, the greatest difficulty: not knowing how to confront this terrible risk on the basis of our principles, convictions and values.

On the basis of my personal experience, I believe that, in order to tackle the scourge of terrorism, the first thing, the most important thing, is to increase awareness, awareness of the seriousness of the problem. Legislative and operative measures will be important, but the most important thing is to increase awareness.

There are two sides to this increasing of awareness: firstly, we must have the courage to treat the fight against terrorism as our very top priority amongst all our problems. We must therefore say it, repeat it and affirm it in all the Union's documents, in all our public statements: terrorism is the main problem.

I would go as far as to say today that the principal gap in the European Union's anti-terrorist policy is not the lack of measures and initiatives, but the fact that we do not acknowledge sufficiently that terrorism is the main problem facing Europeans.

Secondly, the second objective in terms of increasing awareness is the conviction that we can defeat this phenomenon. We cannot start to fight terrorism unless we are sure, on the basis of the moral strength of our convictions, that we will be able to beat terrorism. Terrorism is essentially about fear, it generates fear. And the fear of failure we feel when we deal with a problem of this nature is the first thing we must conquer if we are then to conquer the terrorist organisation.

Ladies and gentlemen, it takes time to tackle a terrorist phenomenon. There are no shortcuts and no possibility of magic solutions. But each and every one of us must have conviction from the outset. The fight against terrorism has nothing to do with the left or right; it is essentially a moral obligation.

I therefore believe we must dedicate more time, more single-issue debates in this Parliament, to tackling terrorism. I believe we must state more frequently that terrorism is the main problem facing Europeans and we must promote a debate amongst governments in order to ascertain in certain circumstances, when terrorist attacks take place close to elections, what instruments are available to those governments in order

to defend themselves, whether or not this may include delaying elections, in order to prevent terrorists from achieving their objectives.

In summary, ladies and gentlemen, I believe we have a moral duty of the highest order.

(Applause)

Wiersma (PSE). – *(NL)* Mr President, the frightful terrorist attack on a school in Beslan has claimed hundreds of children and their mothers as its victims. What should have been for hundreds of children a day of rejoicing – their first day at school – turned into an appalling tragedy. Yesterday, together with millions of schoolchildren throughout Europe, we kept a minute's silence to remember the victims, and we thank this House's President for this gesture of solidarity, which was also an expression of powerlessness, the powerlessness felt by everyone in the face of this cruel attack on those who cannot defend themselves – children and their mothers.

Today, we want, above all, to affirm that we are alongside people in a remote corner of Europe, but the debate on the mounting threat of a terrorism that spares nothing and nobody must still go on, both today and in the months to come. Its keywords must be 'comprehension' and 'action'. We must endeavour to comprehend the incomprehensible. We must be prepared to seek out the causes of terrorism, to open our eyes to people's hopelessness and frustration and that of the conflicts that appear to be unending, without the prospect of a solution. I am quite clearly not saying that the existence of these conflicts is a justification for barbarous violence directed at innocent people, but rather that we must adopt a joint approach in order to do away with this source from which violence develops. In the same way, we also have to be prepared to act, to take international cooperation in the fight against terrorism further.

It follows that the European Union must offer the Russian people, and President Putin, every assistance in attempting to prevent such far-reaching calamities from happening in future. The question naturally arises of how all of this was possible. It is a good thing that the State Duma is conducting an inquiry into how the calamity in Beslan ended and how that final stage was dealt with. Nor is there any getting away from the Chechen issue. The assistance to which I have just referred does, of course, include joint operations on the ground by the intelligence services, their training in specialized units and their learning from each other's experiences. International terrorism cannot be tackled without international cooperation, and the European Union has an important part to play in that.

My group has little sympathy for those who think that they can go it alone in combating international terrorism and who also believe that this is the only way to do so. I want to ask the House for an intensive debate, to be held by the end of the year and jointly with the Council and the Commission, on the European contribution to the fight against terrorism. Where do we stand, and what is our analysis of the threat? This morning, Mr Bot made an important contribution to this discussion in his statement on what the European Union and its Presidency are doing. High on the list are seeking out the causes and dealing with them, but our European tradition bids us also look at how democratic structures are to be secured and fundamental human rights protected.

Flautre (Verts/ALE). – *(FR)* Mr President, I would like to ask the President-in-Office of the Council, Mr Bot, what has happened to him in the space of a week. A week ago, Mr Bot, you asked the Russian authorities a very simple question as to how it had been possible for this tragedy to occur. A very simple question, and one that you were right to ask, but you are wrong today in your desire to see it buried. Why is this so? After all, it is the question being asked by all the families in Beslan; it is the question being asked by all those families as they grieve. What happened? What has come to pass? How can you not see that, in this tragedy, the Russian powers-that-be have deployed all the calculating cynicism of which they are capable – manipulation, disinformation, poisonings – and the best journalists, experts on Chechen issues, found themselves being prevented from reaching the scene. How are these facts to be denied? How can one not put these questions to the Russian authorities? How, Mr President-in-Office of the Council, can you cooperate in the fight against international terrorism with a power that first denied that there was any connection with the conflict in Chechnya, with a power that then condemned the independent and moderate President Maskhadov, putting a price on his head? Now this same power has proclaimed an international war on the global scourge of terrorism, finally asking all states to refrain from interfering in its internal affairs. Who is that power, inconsistent and manipulative, with which you seek to cooperate in saving democracy, the rule of law, and our code of values? Think about it, Mr Bot.

Vaidere (UEN). *(LV)* Ladies and gentlemen, September's events in Beslan have shocked the world with their savagery and inhumanity. There are no words to describe the feelings caused by the murder of children. This act of terror can have no justification whatsoever.

At the same time, I should like to emphasise that this event demands from the state political action to prevent such situations in the future, to remove the causes of terrorism. That is not easy. It is much easier to make irresponsible pronouncements about preventive strikes or merely to try and consolidate authoritarian powers. The President of Russia should be trying to assuage the mutual hatreds of the different peoples within Russia. These hatreds were bred by tsarism and continued by Stalinism, and have yet to be resolved. Quite recently, militiamen in Moscow beat up an ex-astronaut, purely because he had a Chechen-sounding surname. It is important for President Putin to show proper concern for every citizen of his country – not only Russians, but other peoples too, and for his immense power to be deployed to create peace and harmony.

Allister (NI). – Mr President, on behalf of the people of Northern Ireland, who have known the cruelties of terrorism for more than a generation, I wish to convey my heartfelt sympathy to the parents and people of Beslan. The horrendous terror to which they have been subjected is unspeakable.

Terrorism is wrong wherever it occurs. There is no justification or room for equivocation. Be it the IRA fire-bombing a packed hotel outside Belfast and incinerating a dozen innocent people, al-Qa'ida attacking the twin towers, or Chechen extremists in Beslan butchering innocent children, the strategy is the same – maximum impact through maximum carnage in the hope of extracting maximum political concession.

Our experience in Northern Ireland should demonstrate that there is nothing honourable, enlightened or desirable about pandering to terrorism or finding excuses for it – it is evil in all its forms. Across Europe and the world, it behoves us all to stand resolutely against it and its despicable apologists.

Eurlings (PPE-DE). – (NL) Mr President, the image of children running away from an explosion, only to be shot in the back, is too repugnant for words. Above all, our feelings of sympathy are for the victims, those left behind and the whole of Russian society. Different though our opinions may be about a conflict such as that in Chechnya, there can never be any justification for atrocities of this kind, nor should anyone attempt to find one. We as politicians owe it to the public to make every effort to prevent this from happening again. It is ever more frequently apparent that terror knows no boundaries and is a threat to every open society. In addressing this terror, we in the European Union will therefore, more than ever, need to join forces with countries such as the United States and Russia, while, within the Union too, we have an awful lot to learn in this area of cooperation. Many plans have been forged under the guidance of EU Counter-Terrorism Coordinator, Mr de Vries, during this and the previous presidency, but it is just as important to monitor the implementation of plans that have already been adopted. In the extra Justice and Home Affairs Council in the wake of the attacks in New York of September 2001, it was agreed that, from now on, all relevant information about terrorist threats would be exchanged within the EU. A few days before the attacks in Madrid, it transpired that this exchange is still very inadequate. We can no longer afford this. Have fine words meanwhile been translated into action? In fact, the need for identical implementation also applies to terrorist organisations that have been included on the European list. Indeed, in our Union, which lacks internal borders, these organisations are banned in some countries, but not in many others. The discussion about an effective and identical implementation of the plans should be held at a higher level, and it would be useful if the coordinator, Mr de Vries, were to send his progress reports directly to this House too. After all, we show no real understanding for, and sympathy with, the victims of New York, Madrid and Beslan, unless ambitious words are turned into concrete action.

Paasilinna (PSE). – (FI) Mr President, we should express our deepest condolences to the victims of Beslan and their relatives. These people need our help: communities across Russia as well as Beslan and its surrounding regions. There is nothing more barbarous or mindless than the intentional killing of defenceless mothers and children. We cannot be impartial faced with terrorism of this sort. It threatens the rule of law, democracy, civil rights, the basis of our society. The whole world has realised that things have now gone too far.

I headed a parliamentary delegation to Chechnya last year. Parliament stressed that the conflict in Chechnya could not be resolved by military means. The Russian Government stated that it would act accordingly.

Terrorism cannot be fought in ways that curtail democracy, civil rights and equality. The background to terrorism involves social policy, and the remedy for it likewise involves social policy. It will not come about through the use of weapons or the continued centralisation of power. In Europe, we can see that Russia's policy on Chechnya has failed. It is difficult to see how a continued centralisation of power in the Kremlin would help us understand this policy.

Up till now, we have supported the policy to promote stability and democracy under Putin's leadership, and hopefully it will not now come about that, as a result of these tragic events, we start to rethink and alter our policy on Russia, because now Russia itself is also a victim. Hopefully we will find, together with the Russian

leadership, ways in which Russia could act in accordance with its own public proclamations, and which we could therefore support wholeheartedly. This is a matter of joint concern.

Staes (Verts/ALE). – (NL) Mr President, although it is the total horror, the complete and utter condemnation of the mad events in Beslan, that unites us all, I would urge you not to narrow the facts in Beslan and Chechnya down to a simplistic analysis of the fight against international terrorism. There is a great deal more going on. In Chechnya, a messy war is being fought. Just read the reports by Amnesty International, or the report by our *ad-hoc* committee, of which I too was a member and to which Mr Paasilinna referred, or just look at what is happening in Chechnya. A military solution is not possible. What we need to establish is dialogue, a dialogue that should involve all parties, all parties within Chechnya, not only the clan around Mr Kadirov, but all clans in Chechnya, a dialogue including the rebels. Mrs Thatcher once stated that she would never talk with terrorists, and yet it is thanks to Mr John Hume that the British and Irish Governments sat around the negotiating table, along with the IRA and the Protestant terrorist gangs. This proved to be the solution for peace in Ireland, and this is also the solution for peace in Chechnya. They should enter into talks with all parties, and Europe should play an important role in this, just as the United States did in Northern Ireland. We must try to unite the parties and try to persuade them to work together. That is what the Chechens are asking us, because the Chechens essentially want peace.

Czarnecki, Ryszard (NI). (PL) Mr President, words fail me in the face of the tragedy that has befallen children and adults in Ossetia, but words must be found. Words must be found and action taken to avoid further need for tears. There is no such thing as good or bad terrorism, as all kinds of terrorism are bad. There is no such thing as terrorism in the name of God, as every kind of terrorism is the work of the devil. That said, the film on Chechnya we have been watching for years is not a black and white film, with a good sheriff pitted against the bad guys. In this film the sheriff has also shot people in the back in the past, as in Chechnya there really are two kinds of terrorism. There is the kind currently being discussed at length, both in this House and elsewhere, and there is the other kind no one talks about, namely state terrorism. The fact that the EU is putting forward its views on this issue is to be welcomed. These views should be those of the entire EU, and this fact should be noted by Russia, which in the past has preferred to talk with selected Member States such as Germany and France, as demonstrated by the recent summit in Sochi. If we act together, Mr President, as a single EU, it will be easier for us to exert influence on Russia and to fight for human rights, both in Chechnya and elsewhere.

Landsbergis (PPE-DE). – (LT) Mr President, a particularly painful tragedy took place in North Ossetia, where the brutality on one side met with a lack of responsibility on the other. It is reminiscent of the tragedy in the Moscow theatre and brings many things to mind. Today when the Russian authorities declare that they will fight terrorism anywhere, that may seem new and positive, perhaps it opens the door to combined efforts in Iraq, Afghanistan, to stop acts of terror in Qatar and elsewhere. When the Russian authorities condemn double standards, there springs the hope that Russian terrorists will also be persecuted, for example those who on the night of 31 July 1991 killed seven Lithuanian border guards in cold blood. The criminals are known; members of a unit of the terrorist 'Black Berets', they live in Russia protected and supported by its authorities, who refuse to cooperate with Vilnius in the pursuit of justice. While talking so much about the war on terrorism, Russia's leaders have shown more than one example of double standards and hypocrisy. The European Union could urge them to change this behaviour. Here is a quote, an excerpt from the shadow cabinet's statement at the beginning of the Beslan crisis. Quote: 'We categorically condemn this act of terrorism and unite with the United Nations Security Council in encouraging the release of the hostages. At the same time we deeply regret that the United Nations Security Council has never condemned and has not expressed sympathy for the deaths of 42 000 Chechen children, killed in Chechnya as a result of the Russian authorities' orders'. Unquote. At that moment the children of Beslan were suffering, but were still alive. The 42 000 other children were no longer alive, were no longer suffering. For them that anachronistic colonial war was long over. When will it end however? Those who say, 'first victory, then peace', are wrong. That is a dead end. It is time for a different way of thinking – peace is victory. Peace, which would save thousands of lives, which would mean that children no longer die because of the stupidity and brutality of adults, cannot be shameful. General de Gaulle did not disgrace France when he ended the Algerian War. Thank you for your attention.

Swoboda (PSE). – (DE) Mr President, Mr President-in-Office of the Council, Commissioner, one can scarcely find words to express the fury, grief and shame evoked by the terrorist attack in Beslan. The escalation of terror, in terms of its nature and degree, frightens us all and causes us grave concern.

What frightens and concerns me, though, and many others among us, is the red line that connects Bush's policy of preventive war in Iraq, via Sharon's stubborn belief that violence can be countered only with violence, with Putin's actions, which tend in that direction, the belief being that force can be dealt with only

by force, with more force making authority necessary, which in turn makes authoritarian structures inevitable. I am grateful to all the speakers, to the Foreign Minister and to the Commissioner, for highlighting the alternative way, the one I would call European, which, far from bowing down before terrorism and yielding to it, involves combating its causes as well. To its partners, including Russia, Europe must make this way clear and unmistakable. Terrorism must be fought, but its causes must also be done away with.

Ždanoka (Verts/ALE). (LV) Mr President, yesterday evening we joined in honouring the memory of the victims of Beslan with a minute's silence. From today's speeches, we can see various conceptual approaches to evaluating what happened. Let me briefly explain my own judgment.

If we are to reject the proposition that 'the end justifies the means', then we must not exploit the situation that violent means have brought about in order to raise the question of our cherished aims. Otherwise, the terrorists will conclude that the events they stage bring results. The issue of a people's right to self-determination, which should be respected as far as possible, must not be raised in connection with acts of terror.

What is more, one would want to see the European Union adopt not double standards, but single standards towards events in Iraq, Russia, Turkey, Indonesia and other countries. Sunni terrorism, Chechen terrorism and Kurdish terrorism do not have a separate existence. This is all violent conduct based on exactly the same principles, and should be condemned, regardless of its perpetrator, its origin or the territory on which it is committed.

Van Orden (PPE-DE). – Mr President, too often after a terrorist atrocity blame focuses on the authorities concerned. We have heard something of that this morning. Since the Beslan tragedy we have heard blame being put on the Russian authorities, either because of their own actions in Chechnya or because of their sheer technical incompetence in terms of handling a terrorist situation. But we should not be distracted from the simple observation that the only people really responsible for terrorism, for the horrors of Beslan, are the perpetrators – the terrorists themselves. No cause, whether it is the separation or autonomy of Chechnya, no injury, even brutal acts by Russian security forces – nothing justifies the mass murder of children and their mothers. Sadly, the Beslan attack will not be the last.

What is to be done? We do not have just a humane interest in the security and stability of Russia and her increasingly important southern reaches, but a selfish interest as well. We all want to see security and stability in the Caucasus and an end to the spiral of terrorism where we see endemic banditry and distorted nationalisms now fed by Islamic extremism. This is a dangerous mixture that threatens us all. The Russian authorities should not be too proud to seek assistance, which is needed on several levels.

In terms of counter-terrorism that expertise does not rest within the EU as such. I do not entirely dismiss all EU actions in relation to terrorism. Closer cooperation between our police and security services is important. Controls of terrorist finance need joint efforts, but too much effort is focused on empowering the EU and extending its competence into new areas. I do not share Mr Bot's enthusiasm for the European arrest warrant, for example.

Expertise rests in countries such as the United Kingdom and Spain. Certainly, Russia should be calling on that sort of expertise. The inability of the Russian authorities to deal with the Beslan situation reveals many worrying and enduring problems that seem to be deeply embedded in the Russian state. If the EU has anything to offer, it should be a single-minded condemnation of terrorism, together with humanitarian and reconstruction assistance. Russia has to recognise who her real friends are.

Roure (PSE). – (FR) Mr President, the world was, once more, obliged to stand and watch helplessly while one of the most tragic hostage dramas in history was played out. The attack on Beslan immerses us in absolute horror, in the denial of humanity, into the age of barbarism, and we cannot help but feel sickened at the sight of parents put to death in front of their children, or at the sight of children being used as human shields at windows. The place itself is symbolic: a school, representing learning, that knowledge that makes possible the fight against obscurantism, against stupidity and savagery. That which makes us human, the barbarians have smashed; how can you deprive a child of water, of food, of sleep, and still be part of humanity?

At the European level, though, we absolutely have to build up our capacities. The ambitious goals set after the Tampere Summit in order to establish a European approach to terrorism, have not been achieved. To be sure, as you have emphasised, progress has been made, particularly in the creation of the international arrest warrant, but the process has been held back by the Member States' lack of political will to make European decisions truly effective. We have to build up our fighting capacity if we are to counter this, the curse of the

new century. Having said that, what can we say about State barbarism? It is not acceptable that violence should be answered with violence.

(The President cut off the speaker)

Laschet (PPE-DE). – (DE) Mr President, Mr President-in-Office of the Council, Commissioner, Mrs Flautre just said that the primary issue had to be the nature of Russian information policy, what was manipulative about it, how it was that journalists were kept away from the scene, and so on. There, Mrs Flautre, I have to tell you that you are wrong. That is not the first question that must be raised, but what is, is our compassion for the victims, and so it was a mistake on the part of the Dutch Presidency of the Council to start by demanding reports from the scene on information policy and everything else, rather than making it an absolute priority to express concern at the dimensions terror was taking on. On that I really do want to contradict you in the strongest terms.

My second point is that, if you analyse what is going on there now, we have every reason to criticise Putin's policy on Chechnya in recent years, but the underlying character of this attack has nothing to do with Chechnya. These are not ordinary Chechens ...

(Interruption)

It is not ordinary Chechens who blow a school sky-high and kill children in this way, for to say that denies the Chechens their moral character. Let me tell you, Mr Cohn-Bendit, that those who commit these deeds are Ossetians, Ingushetians, and international terrorists, and that is why one has to make a very clear distinction between this and what is going on in Chechnya. We need other solutions for a policy on Chechnya, but we cannot equate these bandits and criminals, who band together and have Islamic connections throughout the world, with the people of Chechnya, and so this is where we need more subtle answers, rather than Chancellor Schroeder or President Chirac to approve these fake elections. What we need instead is ...

(Interruption)

What we need instead, my dear Mr Cohn-Bendit, in the face of such a web of international terrorism, is clear answers, for this terrorism menaces the whole of the free world, it menaces us and it menaces the United States too.

Howitt (PSE). – Mr President, it is worth reminding ourselves that we use the word 'terrorist' to describe one who seeks to cause terror, and truly do those responsible for the Beslan siege define that word – terror, horror, shock. All victims of terrorism are innocent: people on a commuter train, in a theatre, an office block or a nightclub. But children in a school are the most innocent victims of all. The survival of children, like seven-year-old Aida Sidakova – who we saw on our television screens returning to what we thought was her death – is a symbol of the hope that our human spirit craves in the face of such an unspeakable act of evil.

Beslan must not be exploited for political ends, whether in the Kremlin or here in the European Union. I agree that there should be justice, but there should be no recriminations, no reprisals, no revenge, and, as all the institutions of Europe affirm in unanimity in this debate, no dilution of respect for human rights.

Last week I accompanied my own daughter to her first day of school. It was a nerve-wracking experience for both of us. I cannot imagine the ordeal suffered by those children. As parents and fellow human beings, let us mourn those who died and express our absolute solidarity with their families: their suffering is our suffering.

Díaz De Mera García Consuegra (PPE-DE). – (ES) Mr President, ladies and gentlemen, 'It was our principles that lead us to confront terrorism with determination and without concessions, because it represents the greatest denial of individual freedoms, since it is an attack on the very foundations of democratic co-existence, because we must defend ourselves against those whose fundamental aim is our destruction.' I have borrowed these words from a victim of terrorism who spoke them last week in Berlin before a sensitive and committed audience.

I would like my first comment, Mr President, to be one of solidarity with the victims of Beslan, and it is with emotion that I express my compassion and share in the grief. There is no justification for terror, no possible cause can justify it. Killing, murdering children, murdering mothers and fathers of children, killing children's teachers is the most extreme expression of the most miserable of human behaviour. The victims were tortured for 52 hours and then murdered. Those are the undeniable facts.

Shamil Basayev, who planned and authorised the attack, is not a leader of the Chechen independence movement, he is a murderer of children, an inhuman terrorist who has littered Russian soil with innocent bodies. This is the truth and is undeniably the fatal consequence of indiscriminate terrorism. So I would like to express my total and determined condemnation of this event which degrades the human condition in the extreme.

We are seeing an unprecedented increase in the spiral of terror. I would like to express my support for the Russian authorities in their quest to arrest and prosecute the people responsible for this horrific attack quickly, and I can assure you all that my emotions are not purely rhetorical. I have visited Chechnya and Ingushetia; I have visited the Chechen refugee camps; I have spoken to Kalamanov on two occasions; I understand the complexity of the political problem and I am aware of the human rights violations of the parties concerned; I also know what Politkovskaya has said.

I have seen terrorism from close quarters in my own country, from less than five centimetres away, and I can state with democratic conviction that these savages cannot be given any advantage. They take advantage of our doubts and turn parts of our debates into their own arguments whenever it suits them. I would call for the democratic capacity to identify the problem properly and combat it with determination and without reservations. I call on you to restart the debate on Europol, to revise United Nations Security Council Resolution 1333 and to make the European Agency for the Management of External Borders operational.

Bot, Council. – (NL) Mr President, ladies and gentlemen, the first speaker noted that it is easy to take the floor when you agree with the previous speakers. Having listened to what you have brought here today, I can certainly vouch for that, and I am also grateful to you for the support that many of you expressed for the programme as I unfolded it. I was also moved by the image that Commissioner Patten conjured up, that if we enter into the fight against terrorism, in a way we have one hand tied behind our backs. I should like to say, though, that that means two things, namely that we should strengthen the hand that we have left over, but, at the same time, that we also have a mouth, with which we can step up the dialogue. In my view, as I said initially, this is about two things. On the one hand, we must protect ourselves in the fight against terrorism, but on the other hand, it is crucial that we join forces. I think that we should keep these two elements very much in the forefront of our minds.

I have outlined the way in which we want to reinforce our cooperation. First of all, we must focus on cooperation within the European Union, because I believe that if we succeed in this, if we make it clear – as I have tried to make it clear to you – that among the twenty-five of us, we can organise cooperation more effectively in a different way, namely by stepping up our efforts to pool information, by adapting our legislation, by cutting off funding for terrorism, then I think we can also create a precedent in that way, one which we can use in our contacts with the rest of the world. As has been stated several times before, it is a worldwide fight, but a worldwide fight also requires a worldwide response. It is also in that context that the European Union is active. I have mentioned a few measures. I have told you that we are in the process of reinforcing and intensifying our contacts with developing world countries.

For example, let me mention the forthcoming ASEM Summit, where we, along with the Asian world, will be discussing this topic. How can we fight terrorism jointly? What are the means at our disposal? How can we pool our information more effectively? I noticed during my recent trips to Asia how great a concern there is about this in the Asian world too now that attacks have also taken place there, that people over there are increasingly prepared to work together in the spirit in which we would like to. It has also been stated that it is important for us to work more closely with the United States and with Russia. I have tried to explain to you in my introduction in what way we are trying to achieve this. This is a constant concern to us, both in respect of the United States and Russia, and I would like to eliminate a misconception here once again, which was re-emphasised by Mrs Flautre, when she stated that I took something back of what I had said earlier. I do not believe that to be the case. I have spoken out clearly in our dealings with Russia, and I stated, and I am reading out the English: 'we will use the regular dialogue that we have with Russia to discuss how to proceed'. It is important for the dialogue to be in place, but at the same time for us to clarify our values.

I should like to return to the image of the hand that is tied behind our backs, which leads me to conclude that we should be more emphatic in spelling out our values and the reasons why we fight terrorism. We do so with the aim of honouring our own democracy, our own belief in human rights, of respecting minorities, and in saying this I am also referring to Chechnya, and we must do this together, we require everyone's support for this. I can only reiterate my thanks for the support you have expressed today. I can also state that in the coming months, the presidency will be actively committed to vigorously pursuing the programme I have unfolded and which, in my view, is somewhat extensive and covers many areas, but we will need

everyone's help in realising it. I was pleased to hear today that that help will be forthcoming. As is customary, the presidency will report on everything that has happened and what we have done at the end of this term, at the end of the presidency. In saying that, I am also responding to Mr Wiersma's question.

President. Thank you very much, Mr President-in-Office of the Council.

The debate is closed.

WRITTEN STATEMENTS (RULE 142)

Gollnisch (NI), in writing. – (FR) The cold-blooded massacre of a thousand children in a Christian school in Ossetia is an outrage. Even so, it is to be feared that such an atrocity will be repeated, and not only in Russia. The attack committed in Spain on 11 March was a demonstration in blood that none of our countries is safe from Islamic terrorism.

This is all the more the case as this terrorism is encouraged by certain commentators, who attribute responsibility for this massacre to Russia's policy in the Caucasus: 'If Russia did not defend the integrity of its territory, the terrorists would leave it alone'. Such, in essence, is the reasoning of these sophists, who can always find extenuating circumstances for the assassins and reasons to find fault with their victims.

The same is true of the young thugs who set the areas in which they live ablaze when the police commit the impropriety of entering them to ensure that decent people can live in safety.

Today, if we want to put a stop to these horrors, it is necessary, before all else, to name the guilty party: Islam, which, like Communism, seeks to use terrorism as a means of imposing a totalitarian system. In the face of such an adversary, our countries must put aside their differences of opinion and of direction, and unite in defending the values of Western civilisation which they have in common.

Pafilis (GUE/NGL), in writing. – (EL) We express our heartfelt condolences to the families of the victims of Beslan.

At the same time, we express our deep concern about future developments in the area in relation to USA and EU plans and the manifest copying of their strategy by the Russian Government in the areas of internal and external security, especially their adoption of the doctrine of preventive war.

It is perfectly obvious that the recent tragedy in Beslan and the inauspicious predictions are yet another result of the break-up of the USSR and the fall of socialism.

The imperialists engaged in internecine competition, which are responsible for the acute risk of destabilisation in the area and the widespread clashes, have their eye on the Caucasus region, through which the oil routes pass.

The concerns expressed by the US and EU imperialists are particularly hypocritical. The 'political solution' which they propose and the so-called internationalisation of the problem aim to turn the area into a Kosovo-type protectorate.

Only the grass-roots fight by the people of Russia seeking to overturn the current situation will create the preconditions to a fair and peaceful solution to the problems.

2. Situation in Iraq

President. The next item is the debate on the Council and Commission Statements on the situation in Iraq.

Bot, Council. – (NL) Mr President, Iraq is an issue by which we Europeans have for some time been deeply affected, and, moreover, divided. Although the developments in Iraq have given us cause for concern, it is of the utmost importance that the European Union should support the Iraqi people in the coming months, and that we should not abandon, but should, in fact, keep providing them with support. Although the ongoing violence is causing us concern, the past few months have also created space for a coherent and unified stand on the part of the EU in its support for Iraq. In a moment, I will talk about the kind of support the EU could possibly offer, but first, I hope you will allow me to give a brief retrospective of what has gone before.

June, in particular, was an important month for the long-term future of Iraq and the Iraqi people. First, the UN Security Council adopted Resolution 1546 on 8 June, and on 28 June, Iraq's temporary occupation came to an end and sovereignty was restored. The coming into office of Mr Allawi's interim government marked a key turning point in the history of Iraq.

The new resolution also restored unity in the international community and, moreover, made it possible for the UN to again become involved in Iraq, which is an important step, certainly in view of the elections to be held in January 2005.

Just as important is the way in which the developments in June made it possible for the differences of perception, which there had been up until that point with regard to certain areas of Iraq policy within the EU, to be bridged. This became evident in the conclusions of the first general Council of Foreign Affairs Ministers under the Dutch Presidency in July. This Council ratified the European Union Medium Term Strategy produced by Mr Solana and Commissioner Patten, as well as the Communication by the Commission with regard to Iraq, entitled 'The EU and Iraq – A framework for Engagement'. These documents offer a clear framework for the EU's involvement in general and also in respect of a number of details.

As I have already stated, these conclusions also contain very specific action points. For example, it was agreed that the EU will be providing active cooperation to the UN in Iraq, and will be starting a dialogue with the Iraqi authorities to find out in what other way the EU can support Iraq. In order to examine this in more detail, an exploratory mission has meanwhile been to visit Iraq. I will return to their findings in a moment.

It is in any case obvious that the objective of EU involvement is to aid in the reconstruction of Iraq and of the country's internal political process. In that connection, the National Conference deserves a mention. Despite the major difficulties during the preparations, this meeting can be considered a success. All layers of Iraqi society were represented, including many women. Eventually, it appeared possible to reach agreement about the delegates who will be seated on the National Council. The formation of this Council is an important step on the way to elections.

Unfortunately, this good news is also laced with a great deal of bad news. The abductions and killings of foreign citizens, including EU citizens, are a poignant example of this. Our thoughts are with the victims and their relatives. However, we should not overlook the fact that very many Iraqis have also become the victim of violence, in most cases those very Iraqis who have taken on responsibility in the reconstruction of that country. In addition, the many attacks on oil pipelines constitute a serious threat to the recovery of Iraq's economy.

The constant violence is not only threatening society and the Iraqi economy, but also the political process in Iraq. The situation in Fallujah is very alarming and over the past few months, what happened in Najaf and in Baghdad showed that violence is also bubbling away under the surface in the Shiite parts of Iraq and can explode at any time. In that connection, we welcome the agreement that was recently concluded in Najaf. Partly thanks to the courageous efforts on the part of Ayatollah Al-Sistani, the restoration of order and safety in Najaf under the leadership of the Iraqi Interim Government is in sight. Let us hope that this is a step in the direction of better relations in Iraq and improved conditions of safety. After all, it is clear that the sectarian violence is not in the interest of the ordinary Iraqi citizens who, as a result of terror, see their country lapsing into unnecessary delays in its construction.

Needless to say, the security situation is a determining factor in the extent to which the EU can offer effective help in the reconstruction of Iraq. Clearly, this situation is currently not good. Nevertheless, the Netherlands Presidency has adopted the conclusions by the July General Affairs Council and as a result of this, there is already greater EU involvement in Iraq's political process.

Accordingly, I myself visited Iraq in August to underline the EU's support for Iraq's economic, social and political reconstruction. To this end, I had meetings with the President, the Prime Minister and the Foreign Affairs Minister. I also talked to representatives of the United Nations in Iraq.

All the Iraqi people I spoke to underlined the importance they attach to the EU having a clear and visible role in Iraq. In that connection, they called for the opening of a Commission office in Baghdad. On behalf of the EU, I have also expressed our concern about the reintroduction of capital punishment in Iraq.

Mr Allawi, who recently visited Iraq's neighbouring countries, emphasised the importance of stability in Iraq for the region as a whole. My response to that was that the EU would be very happy to lend a hand to secure regional security and stability. I also told them that the EU would very much appreciate an invitation to take

part in the next conference of neighbouring countries. Even now, the EU is regularly reminding Iraq's neighbouring countries of their responsibilities.

During my visit, the UN representatives indicated that EU support for their activities is vitally important, certainly where the election process is concerned.

In Iraq, I also instituted the EU Exploratory Mission, which has now returned. Delegates of the presidency, the Commission and the Council Secretariat looked into the possibilities of concrete EU involvement in the framework of civil crisis management in the areas of police, the rule of law, public administration and elections. The mission did not only have talks with the Iraqi authorities, but also with representatives of the United Nations, the United States, NATO, the Multinational Force and the Election Committee. The upshot of the mission was that the following activities are under consideration. If you will allow me, I will briefly outline those areas:

First of all, police training.

Secondly, in the area of rule of law and human rights: training of judges and prosecutors, technical assistance in the establishment of the Iraqi Special Tribunal; forensic expertise and assistance in exhuming victims from mass graves; assistance in setting up a national centre for human rights and democracy; education in the legal field.

Thirdly, civil administration; increasing capacity in various ministries and in the prison system.

Fourthly, elections: assistance with, and monitoring of, elections.

Fifthly, the development of weapons export control legislation, demobilisation programmes for militias and support for the ownership committee.

All in all, there are plenty of areas where the EU can become active. It is important in this respect that the activities that it undertakes should meet real Iraqi needs, and should add value and be complementary to any activities that may already be going on. In addition, the synergy between the EU instruments and activities needs to be monitored effectively. Also, the political, budgetary and technical aspects will all need to be weighed in order for the activities to be planned well, and the EU should therefore also be certain that it can actually deliver.

What is of importance now is for a fact-finding mission to visit Iraq and to give a more definite picture of the possibilities for EU action. The Council Secretariat will start planning a mission of this kind in consultation with the Commission and the presidency.

I would also like to briefly mention the importance of the UN presence in Iraq, which, as I indicated, certainly with a view to the elections, is considerable. For the UN to function properly, it is crucial that there should be sufficient protection. Resolution 1546 provides for this. The UN Secretary General has asked the EU governments for a financial contribution to the second protective ring, the so-called UN Protection Force. Apparently, the Member States set great store by the EU making a contribution to this. The presidency is currently working hard to ensure that this EU contribution will actually be made. To that end, the Member States are asked for a contribution and it is also examined to what extent a contribution from the CFSP budget is possible.

Finally, I can report to you that I have invited Prime Minister Allawi to attend the European Council on 5 November. I am counting on us having a concrete offer of support for the reconstruction of his country ready by then.

(Applause)

Patten, Commission. It is almost exactly five years since I appeared in this Parliament for my confirmation hearings as a Commissioner. Since then I have been fortunate to take part in literally scores of debates – more, I am told, than any other Commissioner: such is Parliament's interest in external relations. I would like to thank Parliament and its Members for the courtesy that I have invariably been shown. I have enjoyed coming here. It is important, in my view, to try to establish democratic roots for foreign policy. It is not an area of public policy to be left to the diplomatic experts, whose record is at best somewhat patchy.

Anyway, as I ride off into the sunset, I should like to record my appreciation for Parliament's role in developing, not by leaps and bounds but – perhaps inevitably – by lurches and shuffles, Europe's common external relations policy.

The worst shambles to have overwhelmed us in the last five years has, of course, been the row over Iraq. I do not want to go back over old arguments. If we needed reminding that you cannot have a common policy if the larger Member States are deeply divided, then here was the evidence. Other evidence also speaks eloquently for itself. As someone once said, 'stuff happens'. Is the world today safer than before the overthrow of the appalling Saddam? Is global terrorism in retreat? Are we closer to building bridges between Islam and the West? Is the world's only superpower more widely respected? Have the citizens in our democracies been treated in a way that will encourage them to give governments the benefit of the doubt next time they are told that force needs to be used pre-emptively to deal with an imminent threat? I simply pose the questions. Honourable Members will have their own answers.

But here we are: Saddam overthrown, violence raging across much of the liberated land, the regime changed, with an interim government preparing the way for democratic elections. Whatever our past criticisms, we are all now up to our ears in this endeavour. If Iraq goes badly, we all suffer. So we have to try to work together to hold the democratic project in one piece.

What are we pledged to do as a Union, leaving aside the contribution of individual Member States? We have already pledged, and are working hard to deploy, EUR 200 million this year. I very much hope that we will be able to secure agreement for a further EUR 200 million for next year. We are developing a good record in disbursing this assistance, having paid more than EUR 200 million into the United Nations and World Bank trust funds over the course of the past year. We are working well with the United Nations and the World Bank, helping to ensure that our resources are disbursed quickly and well. We have focused our assistance this year on three areas: on essential public services – health, education, water and sanitation; on poverty alleviation and the development of livelihoods; and on governance and civil society.

I would not pretend, however, that all is well. How could I? The hazardous security climate – evident not least in the appalling series of kidnappings, most recently of humanitarian workers dedicated to the well-being of Iraqis, and evident also in yesterday's appalling atrocity in Baghdad – obviously limits the pace of disbursement, as does the fact that we are working with an interim government that is still feeling its way in public administration. That is life – at least in Iraq – and we will continue to do our utmost within the constraints of the situation on the ground. What I can say, firmly, is that I am convinced that our decision to take the multilateral, trust fund route was absolutely the right one. A comparison of our disbursement rate with that of other bilateral donors, including the largest donor of all, only confirms this.

When we proposed to Parliament committing EUR 200 million to the reconstruction of Iraq, bringing to over EUR 300 million the amount we will spend in 2003-2004, some honourable Members argued that we were being parsimonious. They argued that we should do more: they suggested that we should spend at least EUR 500 million, though they were coy about telling us where the extra money should come from.

This morning I was interested to read a report by the BBC from Washington: 'The US Administration wants to reallocate billions of reconstruction dollars for Iraq and spend them instead on security and other short-term needs. US officials say this new strategy has emerged after months of review.' The report goes on: 'The shift is also being interpreted by critics as proof that grand long-term plans to reshape the economy just were not realistic. They also charge that the intensity and level of violent resistance was severely underestimated.' I think we were right in our judgment about the amount of money that we could sensibly put into Iraq, and I think Parliament was wise to support that judgment.

In the coming months, we will continue to implement the proposals set out in our communication of 9 June, which has received widespread endorsement. In particular, we will focus on the essential issue of support to the electoral process. Once the Independent Electoral Commission and the United Nations have identified exactly what they need, we stand ready to help – as I shall explain to the Iraqi President when I meet him later today. But I should be clear that, under the current circumstances, we cannot and will not propose a conventional election observation mission – that would be simply impossible, as honourable Members in this Chamber who themselves have taken a lead in election observation missions will know. But we will seek ways to ensure that we play our full part in assisting free and fair elections in Iraq.

In the longer term, we will need to consider how best the Commission can be represented on the ground. Opening a delegation would obviously be difficult, expensive and potentially dangerous. But we are prepared to consider that route, if it is clear that it would add to our effectiveness in helping the Iraqi people. So let me be blunt: we will work for a better future in Iraq whatever the bitterness of past disputes.

There is, though, one other general point that I would like to make, triggered by these reflections on Iraq. I hope that the House will be generous to me in allowing me to stray a little on what is, almost certainly, my

last outing in this mother of parliaments. When, just over two years ago, some of us expressed concerns that the United States was abandoning the sort of multilateralism which had characterised its foreign and security policy since the Second World War, we were strongly criticised. America, we were assured, still wished to work with allies, provided they shared Washington's view of how to cope with a dangerous world, and by and large kept any reservations to themselves.

Some allies did indeed accompany America to Baghdad, a venture not yet blessed – as we have noted – with the easy and benign consequences that were famously predicted and promised. Liberation rapidly turned into an occupation – or what was seen as an occupation – bitterly resisted, with atrocity after atrocity. Democracy failed to roll out like an oriental carpet across the thankless deserts of the Middle East. Above all, peace in Jerusalem and Palestine was not accomplished by victory in Baghdad. So, partly because American neo-conservative unilateralism had clearly failed to establish an empire of peace, liberty and democracy, we have been more recently advised that allies and multilateralism were back in fashion in Washington. Even the United Nations was deemed to have its uses. *Vivat* the State Department.

All done and dusted then? Sighs of relief all round? Can we now look forward to the restoration of that old-fashioned notion that allies have to be led not bossed, and that multilateral institutions have their important uses, even for the world's only super-power – that, *pace* Machiavelli, there is much to be said for being admired and not just feared?

The rhetoric of the present United States election campaign inevitably raises a few questions. I do not seek to take sides. America elects its President and its Congress. The rest of the world looks on. We in Europe should work as well as we can with whoever wins. We are not partisans in the process, whatever our private opinions. Moreover, I am not so naïve as to confuse campaign rhetoric with a Platonic dialogue. I have, after all, been a party chairman myself. But campaign rhetoric reflects something and what is reflected here is pretty unsettling.

If you want to get a cheap cheer from certain quarters in America, it seems that all you have to do is to bash the United Nations, or the French, or the very idea that allies are entitled to have their own opinions. Multilateralists, we are told, want to outsource American foreign and security policy to a bunch of garlic chewing, cheese eating wimps. The opinions of mankind, which the founding fathers of the United States thought their country should note and respect, are to be treated with contempt unless, I suppose, they faithfully reflect the agenda of the American Enterprise Institute and Fox TV.

What are we to make of all this? First, multilateralism is, above all, in the best interests of the United States, a point which previous Administrations would not have questioned and most political leaders would have subscribed to for the past 60 years. Second, surely the national interest of the superpower is to put its traditional allies on the spot, not challenging their right to consultation, but probing what they have to say and how they intend to turn their rhetoric about cooperation into effective, not effete, multilateralism. How, to take one obvious point, do we intend to go about not just draining the swamps in which terrorism breeds – to borrow the cliché – but also shooting some of the crocodiles? Further, how and when will we in Europe countenance the use of force to support the international rule of law? That is a question which we in Europe regularly duck.

If the political culture of American exceptionalism excludes the notion of working with and talking to foreigners, if unpopularity overseas is taken as a mark of distinction, a source of pride, too many Europeans will make the mirror-image mistake of thinking that sniping at America is the same as having a European foreign and security policy. What I worry about most is that on either side of the Atlantic we will bring out the worst in our traditional partners. The world deserves better than testosterone on one side and superciliousness on the other. American and European citizens deserve better, too. After all, they face the same dangers and the same challenges. I want a Europe which is a super-partner not a super-sniper – a super-partner of a respected global leader. Any alternative to that offers only the prospect of a more perilous and more querulous future.

(Loud applause)

Salafranca Sánchez-Neyra (PPE-DE). – (ES) Mr President, apart from the stabilisation, rehabilitation, reconstruction and democratisation of Iraq, tasks which I believe, Mr President, should not be the sole responsibility of the United States but of the whole of the international democratic community, I believe that there is currently an immediate priority which must not be put off – which the Presidency-in-Office of the Council has not mentioned explicitly – and that is the release of the kidnapped French journalists,

Mr Malbrunot and Mr Chesnot, and their Syrian chauffeur, as well as the Italian aid workers, Miss Torreta and Miss Pari.

It worries us, Mr President-in-Office of the Council, that you have said that the Council interprets these events simply as sad news and that you said yesterday in the Committee on Foreign Affairs that the Council has decided that the best thing was to do nothing, proof, I believe, of the impotence of the European Union. It also worries us, Mr President-in-Office of the Council, that the Council of Ministers has decided at first reading not to mobilise the flexibility instrument to fund the priority of Iraq, against the proposals of the Commission and this Parliament. I hope that this is a tactical position on the part of the Council which will be corrected at second reading.

Technicalities apart, Mr President, yesterday was another day of tragedy in Baghdad with dozens of people killed. I believe that the previous debate this morning demonstrates clearly that we must not and cannot remain indifferent to the phenomenon of terrorism, that terrorism affects us all equally and that we must all respond equally. We must therefore be completely united in the face of terrorism.

The best way for this Parliament to respond to the phenomenon of terrorism is to be united in the resolution we are going to approve tomorrow on Iraq. I believe that the best contribution – apart from the proposals in the Commission's draft initiative, aimed at guaranteeing peace, understanding, reconciliation and harmony in Iraq, with a view to the elections to take place in January – is to be united.

I would like to end, Mr President, by acknowledging, on behalf of my political group, Mr Patten – I attended Mr Patten's hearing as coordinator for my group when he was appointed Commissioner – and thank him for always being available and for his constantly positive and constructive attitude towards this Parliament.

(Applause)

IN THE CHAIR: MR TRAKATELLIS

Vice-President

D'Alema (PSE). – *(IT)* Mr President, ladies and gentlemen, as we discuss the prospects for Iraq, we see before us the images coming out of that country. They are images of war, a war that seems never-ending, a conflict that leaves no room for easy optimism.

At the same time we anguish over the hostages, that odious form of violence and blackmail. The international community has to be united to save those people, who are journalists and volunteers, as well as citizens of Iraq and of other countries. We here should put out an appeal to the Arab and Islamic world to isolate terrorism and reduce the consensus around that kind of violence. At the same time, I believe we should appeal to the provisional Iraqi Government and to the international coalition forces to allow the efforts to obtain the release of the hostages to proceed unhindered, that is, to suspend their military operations and bombings, which cause so many civilian victims in the Iraqi towns and certainly do not help to create a suitable climate for negotiations that may save the captives' lives.

Looking beyond the tragic hostage crisis, we have turned our attention in the speeches by the representatives of the Council and the Commission to Iraq's current situation and prospects. It is clear that to get out of this terrible crisis there needs to be political change both within Iraq and, in a more general sense, in the fight against terrorism, as has also emerged from this morning's debate. The war and the military occupation of Iraq have proved to be a tragic mistake. Instead of containing terror, they have made it stronger and more dangerous; they have spread hatred of the West throughout the Islamic world and are in danger of embroiling the world in a clash of civilisations, which is the most fertile soil for fundamentalism.

From Iraq to Chechnya and Palestine, the mindset of war, brutal repression and the denial of human rights and the rights of peoples has helped terrorism. It is now time to take a different road. This does not mean giving up the use of force, but re-establishing the primacy of politics and international law. We are not criticising the US conservatives for having fought against terrorism. On the contrary, we criticise them for having conducted the fight in the wrong way, adding to the insecurity in the world.

What is needed is a return to multilateralism and a recognition that restoring peace in Iraq will probably require very clear and brave decisions. For example, the presence of US armed forces in the country is unlikely to help to restore peace, since it is evident that those who wanted the war and carried it out are attracting terrorism through their presence there, rather than bringing calm. It has to be realised that these forces must be withdrawn at the time of the elections and replaced under UN authority with forces from countries not

involved in the conflict. In every area of activity there is a need to return to politics, multilateralism and international law. That is the feeling in Europe, and that is the feeling in this Parliament. We need strong institutions that are able to turn this feeling into coherent political action and not just into an appeal.

Lastly, I should like to thank Commissioner Patten for his work and also for his words this morning which, in a fine speech if nothing else, reflected the prevailing feeling of the people of Europe.

(Applause)

Watson (ALDE). – Mr President, on behalf of my Group I would like to thank Commissioner Patten for his willingness over the past five years to engage in debate with this House wearing a tie with a very light tinge of blue. I am pleased that he is enjoying the political freedom which my party helped him to find and we wish him every success in his future endeavours.

There are many in this Chamber and outwith who still focus on a reckoning for responsibility for the war in Iraq. Whatever form that reckoning might take, Liberals and Democrats insist that we must not allow it to come between Europe and its urgent responsibility to that battered country. When your friend's house is burning down, you do not stop to argue over who dropped the match. With the oppressive brace of dictatorship ripped away, Iraq has burst like a broken dam. If we do not control the flood, it threatens to sweep across the region, engulfing Iran, Syria, Saudi Arabia and Turkey. It will drown the hopes of democracy in the Middle East.

Everything else in Iraq depends on stopping the killing. Iraq is a vacuum, and in Falluja, Talafar and Baghdad, violence and the unacceptable terror of hostage-taking has rushed in to fill the space emptied by the fall of Saddam Hussein. Yet too often, the coalition forces and the struggling Iraqi Government have met violence with blundering violence. Helicopter gunships and heavy-handed military tactics in crowded urban streets can only feed the resentment and the disorder that recruits for militancy.

Iraq needs international help: a deep and wide commitment that cannot afford to countenance failure. Under the auspices of United Nations Security Council Resolution 1546 the international community must offer every assistance to the interim government, and then to its sovereign successor. I welcome the commitment our diplomatic expert, Mr Bot, has expressed here today.

Liberals and Democrats believe that the European Union has experience to offer in everything from restoring Iraq's devastated infrastructure to advising on the drafting of its new constitution. That is why we have backed the Commission's call for a further EUR 200 million to be made available in humanitarian assistance. But Iraq needs more than money. If the cycle of violence can be broken, Europe can help train policemen, judges and teachers. Europe can help rebuild civil society in Iraq through support for non-governmental organisations, trade unions and political parties. The European Union can play a key role in supporting and securing the elections to the Transitional Iraqi National Assembly in January of next year. In a country where almost every citizen relies on government aid, we can help find the rice and the wheat flour that stand between Iraq and starvation, and the soap that guards against devastated public sanitation.

We believe that Europe must help Iraq take steps away from authoritarianism. The new Iraq must be built on stable democratic institutions. Iraq presents us with a challenge. Only stable, democratic government offers the chance to remake the Middle East, and that may require our commitment for a generation.

(Applause)

Beer (Verts/ALE). – (DE) Mr President, ladies and gentlemen, I would like to thank Commissioner Patten most warmly for his clear statement at the end. Commissioner, you have made it clear that our debate today is not just about Iraq, but must also consider an overall political approach. It has become apparent that Europe's essential interest must lie, above all, in finding a peaceful solution for Iraq, and not only for Iraq, but also for the region as a whole. We have to develop a coherent policy for Iraq, Iran, Syria, and, of course, for Israel and Palestine. Any solution will be difficult, but, as we progress towards one, we should make use of this debate for clarification and analysis, even though we do not yet know what the definite answers will be.

As far as Iraq is concerned, we have seen unbounded violence over the past months, with pre-emptive strikes on the part of the allies; Guantanamo; Abu Ghraib with all the dreadful attempts to justify torture; fearful terrorist attacks; the execution of innocent hostages; and hostages held right up to the present day. In this context, let me mention another report that has shocked me today, the report of a secret service according to which Syria is alleged to have tested chemical weapons on Sudanese. All these acts of untrammelled force

we condemn as a matter of fundamental conviction; not only that, we combat them, and have recorded our condemnation of them in the European Constitution.

So where do we stand today? Following yesterday's cruel attack, which left many – over sixty – people dead, a look at the press may reflect the differences and the bewilderment in the political world. 'Get out of Iraq!', says the *Berner Zeitung*; *Le Figaro* says that the 'USA must wage war to the end'; the *Kurier* reports that 'Iraq is falling apart before its occupiers' eyes', and that 'Bush has announced that the money intended for security purposes is to be used now, instead of for securing the people's water supply'.

Where do our responsibilities lie, and where do we go from here? Despite all our differences, we must, I believe, try to join together in establishing political responsibility. I think we must become credible, for without credibility we will have no popular support and the United Nations will not be strengthened. That involves condemning what we have to condemn, and doing everything possible to prepare, by all democratic means, for free elections as soon as possible, so that the people of Iraq may be sovereign once more.

Agnoletto (GUE/NGL). – (IT) Mr President, ladies and gentlemen, I think it is clear that the primary objective of all of us here is to do everything possible to save all the hostages – French, Italian and Iraqi alike – because all lives are equally valuable. To achieve this, however, generic words and statements are not enough. Who in Europe does not want the hostages freed?

I wonder, however, how we can dare to rightly ask for people to respect human rights and to save the hostages' lives when the armies of countries sitting in this Chamber then continue to drop bombs and kill civilians. We take up the NGO's plea and call for the bombing to stop. Terrorism and war are mirror images and feed off each other. They are the real enemies of pacifism and of the solidarity that is working in Iraq to build a new society. We do not know who has carried out these kidnappings, but we do know there are various interests that want the NGOs to leave Iraq and not witness the violations of rights that are happening everywhere.

I did not hear the Council make any condemnation of the war, a pre-emptive war that has trampled on centuries of human rights. We demand the immediate withdrawal of the troops and announce that, if our amendments against the war and for the withdrawal of the troops are not accepted, we shall vote against the draft resolution to be tabled tomorrow. We remain in tune with the major movements and with public opinion, which is standing firm against the war and against terrorism with no ifs or buts.

(Applause)

Belder (IND/DEM). – (NL) Mr President, constructive Iraqi voices deserve a hearing from us. That was the case during the days of Saddam Hussein's reign of terror, and it is just as true now that the future of Mesopotamia is directly at issue. At present, those deeply concerned Iraqi voices are urging the EU Member States, above all, to have a constructive presence in their country and region. In practical terms, they are asking for a clear, firm stand on the part of all EU Members against the sustained involvement of Iraq's neighbouring countries in the insidiously-growing terrorism on Iraqi territory, failing which, the EU itself will eventually be called upon to foot the bill. In addition, these Iraqi voices are asking for a regional and local start to be made, as a matter of urgency, on that country's reconstruction. Opportunities to do that are presenting themselves in the north and south of Iraq. The EU Member States should not let those opportunities slip. If this local and regional reconstruction is successful, the people in the terrorist hotbeds can decide for themselves what will benefit them the most.

Which brings me, finally, to Iraq's future political structure. Iraq's neighbours are showing themselves very wary of a federal solution for maintaining that country's territorial integrity. This is another excellent opportunity for Europe to display commitment to national and regional stability. I hope, and expect, that this commitment will also be evident at the transatlantic level under the Dutch Presidency, because we will thereby be looking after Mesopotamia's future.

Angelilli (UEN). – (IT) Mr President, ladies and gentlemen, while we acknowledge its good intentions, we regret that Europe is essentially inadequate when confronted with the tragic events of the international crisis, the rise of terrorism and the situation in Iraq. Commissioner, if there is too much of the United States in international relations, it is because Europe is indeed impotent.

We as Europeans would like to already have the Constitution, which we have taken so long to approve, because we would like to already have a European Foreign Minister who could be out in Iraq right now to

perform his office with genuine authority and also to negotiate the release of the French and Italian hostages. I should like here to remember the two young Italian women, Simona Pari and Simona Torretta.

Such terrorism, for which a human life counts for nothing, which kills and rapes innocent children, which kidnaps peace workers or civilians and holds the governments and peoples of Europe to ransom, can only receive our most severe and unconditional condemnation. Through its work of destabilisation, such terrorism is probably also aiming at somehow delaying or preventing the holding of elections in Iraq, an outcome that would be thoroughly unacceptable.

In conclusion, to all those who are in Iraq, to the soldiers on peace-keeping missions, to the NGOs, which with admirable perseverance have chosen to stay and carry on their work of aiding the civilian population, to the victims' families and, at this moment, if I may, especially to the families of the hostages – to all of them I believe the whole Chamber here in Strasbourg should raise its voice loud and clear in solidarity and fellow feeling.

Czarnecki, Ryszard (NI). *(PL)* Mr President, ladies and gentlemen, like the vast majority of Polish people, I was and am opposed to the war in Iraq. I was also, like all of us in this House, opposed to Saddam Hussein. This is why I am entitled to say that Iraq should no longer divide Europe, and that the EU should act jointly to find a baseline consensus and put this consensus forward.

This does not mean an artificial agreement or a fictitious unity. It means an understanding between the nations and governments of Europe, both those who supported intervention in Iraq and those who were opposed to intervention, and it means an understanding based on a concrete goal. This goal, which may not be very effective and may not solve all problems, but which is extremely concrete, would be to hold local elections as soon as possible, starting in Najaf and Karbala, for example. The building of democracy in Iraq must begin with the foundations, not the roof. These foundations are local elections and the establishment of regional authorities that have power and not merely rifles. The roof will be national elections, and this is the only appropriate order. We must be aware that local elections are a necessary medicine, but that they have side effects, and that they may result in the division of Iraq into Sunnite, Shiite and Kurdish zones of influence. This cannot be denied, but it is preferable to a situation in which everyone is permanently at war with everyone else.

Finally, the European Union mission should be in Baghdad, not in Amman, which is a long way from the Iraqi capital. Let us not leave Baghdad to the US, as shirking responsibility is not a course of action that befits the EU.

Brok (PPE-DE). – *(DE)* Mr President, Mr President-in-Office of the Council, Commissioner, ladies and gentlemen, without stability in the region, society will not be reconstructed, there will be no security for investments, and without that no really peaceful development will be possible. We all know that this can be achieved only if the Iraqi people see their government as possessing an authority and legitimacy other than that lent to it by American unilateralism. That is why elections have such a major part to play, that is why the United Nations have a part to play, and that is why I was so shocked by Kofi Annan's comment yesterday to the effect that 'the UN can become fully involved again, can go in again, only if security is established.' The whole thing is cyclical: if the UN does not go in, there can be no security, but if it does not go in because there is no security, that demonstrates the international community's general helplessness in the face of the situation. I see this as a reason why we must make it clear that there can be no justification for terrorism and that we will always oppose terrorism, which is, in this case, engaged in by minorities in Iraq, and that we have to support the majority population.

At the same time, though, we have to do this through dialogue, so that terrorism does not prove to be a Hydra, with several new heads growing every time we cut one off, and we must not create breeding grounds for it. I see this as a reason for us in the European Union to do what we can. By that I mean political change, support, including in the areas that the EUR 200 million is intended to deal with, the organisation of aid, the initiation of dialogue, the building of structures out of which sustainable development can grow. This is not just about Iraq, it is about the stability of the entire region, which will determine whether there is to be a 'clash of civilisations', and whether we can prevent the great war between the cultures. There have been quite a few mistakes, and they have already brought us much, much closer to one.

Finally, I want to extend warm thanks to Commissioner Patten for his cooperation over the past years; perhaps there will be another opportunity for me to do so. Today, he has again made it clear that we in the West can succeed with our policies if they are combined with moral integrity. I get the feeling that our moral integrity is running low as a result of Guantanamo and much else, because of torture and all the things that

are going on there. If we do not manage to have moral integrity, we will not have the credibility that is required if we are to shape this process in a reasonable way.

(Applause)

Moscovici (PSE). – (FR) Mr President, ladies and gentlemen, like all of you, I heard the President-in-Office of the Council speak to us of good and bad news, and I felt that he dwelled too much on the good news at the expense of the bad. I would like to thank Commissioner Patten for having, with his customary subtlety and frankness, invited us to cross the somewhat simplistic gulfs between Atlanticism and anti-Americanism, between unilateralism and multilateralism. That is indeed what we must do.

Today, though, nearly two years after the onset of this crisis, we have to say that we are facing failure, as none of the aims that were set have been fulfilled, and I am not talking about weapons of mass destruction. There is no evidence of the region being stable, democracy has not proved infectious, Iraq is not a safe place, and the fight against terrorism has got nowhere. On the contrary, I would even say that military action on its own has led, in Iraq, to a growth in terrorism of all kinds. All of that is worthy of condemnation and of serious thought. We can take no pleasure in this failure, on the contrary: we have to act, to learn our lessons and try to be effective tomorrow. Today, though, what should galvanise us, what should be a priority for this House, is of course the issue of the hostages taken in Iraq – Italians, French, in short, Europeans – along with those accompanying them, whether Iraqis or Syrians. We must move to liberate these hostages, for liberty is a precious good, and because it is not just any professions that are under attack; these are journalists, humanitarian activists, workers for NGOs, in short, people who take risks. As Mr Salafranca Sánchez-Neyra said, I believe that it is for all their sakes that this House must speak out today, on the basis of the principles of unity and solidarity, in favour of these hostages being released.

At the same time, this will not mean that we will have finished with Iraq; we have to ask ourselves other questions if we are to be able to take the different political road to which Mr D'Alema referred. I will limit myself to setting out a few of them. We must therefore call for a change in the nature of the multinational forces. I believe it is now time to put this force, for all practical purposes, under the aegis of the Secretary-General of the United Nations. All of us, together, must concern ourselves with the democratic process. We know that elections are planned for early 2005, but, right now, it has to be said that they are not guaranteed and it is absolutely vital that they should be held under free and fair conditions. Finally, I believe that it is now time to call an international conference in support of the political transition and to facilitate the restructuring of Iraq.

Finally – and this will be the last I shall say at this stage – I believe that we must be more insistent than we have been, more perhaps than the Council has been, on respect for human rights by all the parties on the ground. Commissioner Patten said it, as did Mr D'Alema, and it is indeed the case that we are confronted by intolerable images of war depicting an utterly hopeless confrontation. Ladies and gentlemen, we have to get back to Iraq. We have to consider what is happening now in the aftermath of the conflict. Let me repeat, however, that the priority is for the whole of this House to get behind the efforts to free the hostages, and I call upon all of us, on every side, to accept a resolution to that end, which will proclaim that we speak with one voice.

(Applause)

Neyts-Uyttebroeck, Annemie (ALDE). – (NL) Mr President, the present joint draft resolution is both totally harmless and absolutely obvious, so a cynic might argue that we might as well do without it. As a pragmatic and experienced politician, I take the view that this draft resolution illustrates in abundance that our European Parliament and its groups experience the same difficulties as the Commission and the Council in getting to grips with the situation in Iraq. Like the government in my country, I was myself a firm opponent of the invasion in Iraq. In previous capacities, I too have tried to persuade the United States that the invasion of Iraq is one thing, but the establishment of democracy there is something else entirely. I have also stated that invading a country is easy for them, but leaving a country is far more difficult and dangerous. I too take the view that the world today is a much more dangerous place than before the war in Iraq started. The question then arises, though, as to what we in the European Parliament, the European Council, the European Council of Ministers and the European Commission are doing about this much more dangerous place. Do we wash our hands of the whole situation, because we did not want it? Are we hoping – or, if we are religious, praying – that everything will perhaps sort itself out miraculously? Or are we taking refuge in the hopeless prospect of the war of civilisations predicted for so long by many, on both sides of the Atlantic Ocean – sometimes appearing to want it to happen? We are all facing the very difficult task of leaving all of this behind us and

of reaching unanimity about the future of Iraq, the Middle East and the world as a whole. Naturally, all hostages, of whatever nationality and whatever they are doing there, must be released immediately, and it goes without saying that we must all commit ourselves to this objective.

I would like to conclude by addressing a few words to Commissioner Patten. Two weeks ago I had the opportunity to tell him what a great honour and privilege it has been to work with him. I would like to ask him, as he rides off into the sunset, not to sing the song 'I am a poor, lonesome cowboy', but to seize the opportunity to put in the occasional mean tango!

(Applause)

Guidoni (GUE/NGL). – *(IT)* Mr President, ladies and gentlemen, the recent dramatic events involving hostages – all hostages, Italian, French and Iraqi, for whose unconditional release we are once again appealing here – highlight the extreme gravity of the situation that has been developing in Iraq. The allied military commanders themselves now openly admit that part of Iraqi territory is outside their control.

The military solution is thus revealing just how inadequate it is to solve the problem of terrorism and to ensure Iraq's transition to democracy. In order to lay the bases for a new democratic order, it is not enough to set up an interim provisional government, which is actually a US puppet government and is therefore not recognised by the local population. There is only one way to stabilise the situation in Iraq, and that is to withdraw the troops immediately.

It is not a case of giving in or not to the blackmail of terrorist groups, but rather a case of sending out concrete signs of a change in strategy, whereby the withdrawal of the occupying troops is seen as a precondition for sending in a UN contingent composed of forces from countries not involved in the war. The Bush doctrine of pre-emptive war has proved to be tragically wrong and unable to curb terrorism, which has instead spread further precisely in the areas of conflict.

A worldview based on the exclusive political and economic supremacy of a single country is not sustainable. Europe can and must put across an independent and unified foreign policy proposal; it can and must play an ever-greater role in resolving crisis situations such as the one in Iraq. We need to make room again for diplomacy and politics. International organisations need to be present to guarantee free elections, elections free of any political or economic pressures from the occupation forces.

(Applause)

Coûteaux (IND/DEM). – *(FR)* Mr President, ladies and gentlemen, representatives of the Member States, the Anglo-Saxon coalition's invasion of Iraq solved nothing; on the contrary, it made the Iraqis' living conditions worse and, above all, it enabled militant Islam to spread throughout the Arab world, giving it a new base and new legitimacy.

What we see there, of course, is no more than the application of the USA's imperial strategy, which aims to consign the world to an immense conflict of civilisations, one in which the civilised world will be gathered around Washington. It is equally evident that what claims to be the European 'Union' – a term I put in quotation marks – with its six doomed draft resolutions, none of which – this was last year, as you will recall – obtained anything like a majority, and with its immense jumble of useless and derisory pieties, has remained silent, with a passivity defying belief in the face of a war and a strategy that pits civilisations against each other, with the EU itself the first victim.

France alone, flanked by Germany – which was, truth to tell, hesitant – and by Russia, which was lamentably weakened, was in the midst of the flurry of trans-Atlantic grovelling, yet again saved the European ideal. She did so with such clear emphasis that the world increasingly saw in her a sign of resistance to the empire. Indeed, let it be added, the American opposition see her as a symbol of the freedom of peoples, the basic condition for all true democracy.

We now have the choice between two sorts of resistance: the Islamic resistance that the Americans – who will, one day, be obliged to clear off, just as they did out of Vietnam – certainly intend to leave behind them, and the national, or secular, resistance. Europe, the Europe of the Euro-enthusiasts, is certainly incapable of choosing, but it is certain that, in the face of militant Islam, it is on a victory by the national resistance that Mediterranean cooperation – so necessary, yet, alas, so unlikely – depends.

Romagnoli (NI). – *(IT)* Mr President, ladies and gentlemen, it is time to put an end to hypocrisy. We are witnessing the geopolitical interests of the United States perpetuating themselves in Iraq. Ever since the

Second World War, history has been punctuated by unilateral pre-emptive interventions by the great powers. A subjugated Europe has never been willing or able to stand up to the aggressiveness of the victors at Yalta. The role of the United Nations has been just as ineffective, for any UN resolutions that the great powers have found indigestible have been systematically ignored or sidestepped. Interim President Ghazi al Yawar has cancelled his visit to the European Parliament.

It is worth wondering who wanted or elected him to be president. To hold him up as a representative of the Iraqi people is an insult to our intelligence and to that of the people we represent. We have to get out of the conflict in Iraq and remove any excuse for the occupation which, far from ensuring security, peace and justice for the Iraqi people, has led to fighting and shameful acts, costs the public purse a fortune, damages interests and increases resentment, endangering the security, peace and prosperity of the peoples of Europe. Mr Bot, these should be the objectives of the Council, the Commission, the governments and the Institutions of the European Union.

Tannock (PPE-DE). – Mr President, the situation in Iraq remains precarious, with the deaths yesterday of 47 innocent Iraqis at the hands of a fanatic suicide bomber – mainly unemployed men seeking work as policemen and willing to try to re-establish law and order in their country and enable free elections to be held next January.

Whether one agrees with the justification for the war or not, everyone now must sympathise with the long-suffering Iraqi people, who yearn for stability in their country. Everyone here must condemn the perpetuation of indiscriminate attacks against the new sovereign government of Dr Allawi and the multinational peacekeeping forces and the barbaric kidnapping and murdering of hostages, solely on the basis of being non-Muslim, or cooperating in rebuilding the country, such as the Italian aid workers.

Clearly, with hindsight, mistakes have been made in underestimating the scale of resistance, but withdrawing all the coalition troops would only worsen matters. Mr D'Alema's request would, in my view, be surrendering to terrorism.

Syria and Iran have also been extremely unhelpful in allowing Islamist fighters to infiltrate Iraq from their territories. I welcome Commissioner Patten's allocation of EUR 300 million in 2003-04 to rebuild Iraq. His characteristic eloquence will be sadly missed on all sides of this House. I call upon Member States who oppose the war – such as France and Germany – to put this behind them now and support new Nato initiatives to build up security in Iraq. After all, we all share a common interest in fighting international terrorism. By kidnapping two French journalists, Islamic terrorists have not respected French neutrality, instead blaming France for defending its understandable and much cherished secularism by its banning of the veil in its schools.

I pray now for the release of all hostages. No stone should be left unturned to achieve this objective.

De Keyser (PSE). – (FR) Mr President, what brings us here today, with confusion in every group, is anguish at the fate of the hostages, and I ask you what the European Union can do to defend those who belong to it? The French journalists and the two young Italian aid workers who were taken hostage are all innocent in this war, and they risk paying for their commitment to a free Iraq with their lives.

Quite apart from the victims, we must not forget that the whole of the Iraqi people have been held hostage and that each new bloodbath brings fresh chaos.

The confusions are beyond number and I shall mention only two of them. As the violence spirals, we are becoming unable to distinguish between victim and executioner, confusing resistance fighters with terrorists, the unfortunate fate of soldiers killed in action with that of civilian victims of what we euphemistically describe as excessive force. To be sure, those who kill hostages are unscrupulous criminals, but the origins of the tragedy and violence that are rife in Iraq are to be found elsewhere and nothing can excuse such things as the random missile strike on the Bradley tank last Sunday at a time when the wounded soldiers had been evacuated. These strikes killed children, civilians, and a Palestinian journalist. One day, international law will demand that justice be done.

Let me turn to the second confusion. Islam has many faces; we often see it in the darkest light, but the extraordinary outcome of the siege of Najaf and the courage of French Muslims in committing themselves to the release of the hostages show us that moderate Islam can play a part in bringing peace. This is something we will have to remember in other contexts.

We live in the – perhaps illusory – hope that, in 2005, free elections will be held and a government enjoying popular legitimacy will be formed. We ask the Commission and the Council to do everything possible to fulfil this hope. As Mr D'Alema said, the Iraq war has been a tragic mistake, and we cannot make history anew, but – and I say this to Mr Tannock – there is a point at which we must be able to recognise our own mistakes if we are to be able to rectify them.

Nicholson of Winterbourne (ALDE). – Mr President, the civil war in Iraq has inevitably meant that in recent months the media have focused almost exclusively on security. However, behind the headlines there is another agenda already in operation, and that is where the European Union should be involved. This is an absolute priority: the building of a peaceful society.

Capacity-building, the fight against corruption, strengthening the fight against organised crime and bringing in human rights and the rule of law – these words are familiar to us. They are weapons of dialogue that we use every day of the week in turning post-Communist states into Member States of the European Union or wider Europe neighbours, away from totalitarianism and tyranny and towards democracy.

Iraq is in just that condition today. The Iraqis are just like us: they share the same desire for freedom and for a settled society. Beneath the veil, behind the tribal dress, beyond the cultural differences of East and West, Iraq and Iraqis have the same high hopes of the essential freedoms and the rule of law that we Europeans and Americans enjoy. They look to us to help institute those freedoms and the fundamental freedom of human rights. The European Union should focus now on building that agenda with Iraq. It is a possibility. It is happening now, away from the guns, bombs and rockets, and that is what we should be involved in.

I ask you to remember that under Saddam Hussein Iraqis had no such freedoms, no access to human rights. That is the reason why, even now, today, with bombs and rockets, with the difficulties of security, the majority of Iraqis prefer to be without the previous regime and in the situation they are in now. We should help Iraq build a peaceful society.

Pflüger (GUE/NGL). – (DE) Mr President, the war in Iraq drags on, and Allied troops continue to kill civilians as they bombard cities on a daily basis. In terms of day-to-day life there, Iraq is very much a society at war, with battles, raids, hostage taking and the vicious circle of violence. It is, in essence, the war of aggression waged on Iraq that lies behind the present calamitous situation, which is getting worse from day to day.

On the assumption that the interpreter got it right, Mr Bot said that 'the occupation was brought to an end', which is obviously nonsense. We call for the occupation to really be brought to an end, which means the withdrawal of the occupying forces.

What is NATO doing? What is the European Union doing? NATO's involvement in Iraq is ongoing; will NATO troops be going there once NATO has trained the Iraqi security forces? It is obvious that the EU does not want to be left out; in contravention of international law, it seeks to push through an open market economy system in Iraq, and more and more private security firms from EU Member States are getting involved in the war. We are now thinking in terms of an EU force under the UN's mandate. That is something to which we must say 'no'; it must not be allowed to happen. We must not allow the EU to be involved in the war in Iraq or to support the occupation.

(Applause)

Giertych (IND/DEM). (PL) Mr President, ladies and gentlemen, we are discussing the EU's declaration on Iraq. The very idea of issuing such a declaration ties in with the general belief that the European Union has something resembling a foreign policy. There is no such thing as European public opinion, and there can therefore be no EU foreign policy. The Iraq issue is the best possible example of this.

Each of the Member States has its own foreign policy and its own opinion on Iraq. Within each Member State it is also possible to observe a diversity of opinion on foreign policy, but each state has its own government authorised by the voters to conduct foreign policy. The European Union has not been authorised in this way.

What, therefore, is the point of a declaration on Iraq? It is an attempt to impose upon us all the belief that this House has a mandate to conduct foreign policy. This is not true, as we do not have such a mandate. The European Union may provide humanitarian aid both in the case of Iraq and in the case of many other conflicts taking place throughout the world, and it may also offer its services as mediator and negotiator, provided that all sides in the conflict want the EU to do so. Political proposals would, however, be out of place, as we do not have the authority to conduct a common foreign policy.

(Applause)

Ibrisagic (PPE-DE). (SV) Mr President, the debate on Iraq has, so far, often been about how long it is taking to normalise the situation there, and there has been a lot of criticism from different quarters about developments in Iraq. Questions such as 'Are things better now?' have been heard, and people wonder whether the military presence really is leading to peace. To those who wonder whether that is the case, I can put a question: have you ever stood in the thick of a raging war and really wished that some outside force – the United States, the EU or NATO – would come and intervene in your country? That is something I myself have done, and I also have a definite answer to that question: yes, a military presence can lead to peace.

In the European Parliament, I represent Sweden, but I was born and brought up in the Balkans, a part of Europe that has seen many wars and a great deal of suffering. I have experienced war in Bosnia, and I know that it is extremely easy to start a war and extremely difficult to bring it to an end. It is still more difficult, and takes a still longer period of time, to re-build a country, and that much longer again to get people to begin to trust each other once more.

I have a feeling that those who now criticise the process in Iraq have never even been near a war. That also makes me think of the saying, 'Those who are well fed do not understand those who are hungry.' It is so easy to see obstacles and problems and identify what might be done better and more quickly, but the fact is that many of the current problems in Iraq are an old legacy from Saddam Hussein's dictatorship. The fact too is that today's Iraq without Saddam is a better Iraq. We must ensure that we are involved and make our contribution so that the Iraq of tomorrow is a still better Iraq.

Where the Balkans are concerned, the surrounding world has realised and accepted that it takes a long time to re-build a country, both literally and figuratively, but there is extremely limited understanding of the fact that development towards peace and democracy in Iraq will take time. Now, the EU must rally around our values of freedom and, united, actively support the forces that wish to build a new Iraq, a sovereign and democratic country that takes its place in the international community.

(Applause)

Siwiec (PSE). (PL) Mr President, unlike the naive and sometimes cynical voices that have been heard in this House, the Commission, through its representatives, has presented a rational assessment of the situation in Iraq. It must be recognised that state and institution building is taking place. It must also be recognised that violence is escalating, and that this violence is being used as an instrument of political pressure both in Iraq and against countries that decided to participate militarily and politically in the rebuilding of an Iraqi state.

This is a turning point, and either Iraq will win through with the support of the international community, or major destabilisation will occur. There is a chance of success, but this requires determination and a correct assessment of the situation. I would like to pay tribute to the soldiers and civilians risking their lives in Iraq. They are there in the interests of the Iraqi population and are protecting the lives of those people. I would also like to say that in taking this risk upon themselves, they are acting primarily on behalf of the Iraqi people.

Malmström (ALDE). (SV) Thank you, Mr President, Commissioner Patten. It is not the first time we are talking about Iraq in this House, and that is only natural since the events in Iraq dominate the international news. The reports of terrible violence and of terrorism directed against women, children and civilians – mainly Iraqis of course, but also foreign journalists, aid workers, business people and military personnel – are alarming. The kidnappings are absolutely abominable, and it is good that we in this House are, in any case, one hundred per cent in agreement about our demand that those kidnapped should be released and that the violence must cease.

The Group of the Alliance of Liberals and Democrats for Europe naturally condemns all types of violence and calls upon the Iraqi authority to ensure that legal proceedings are taken against the people responsible. In this context, we would also regret the fact that the death penalty has been reintroduced.

In common with many other countries in many other parts of the world, we are split on the Iraq issue, and this has meant that we have only been able to agree upon a fairly watered down resolution. I nonetheless hope that we can put the past behind us and look forwards. The whole world has a responsibility for supporting the Iraqi people and developments towards a democratic and sovereign Iraq able to take its place in the international community. We in the EU can offer support in many ways in cooperation with the UN and international bodies. We have a role to play when it comes to supporting the election, the economy, the construction of a civil society and the devising of a democratic constitution.

In the future, a UN-led multinational force must accept responsibility for security in Iraq, and this is an area in which the EU and its neighbouring countries can play an important role. Naturally, the ultimate responsibility lies with the Iraqi people, but we all have a responsibility for ensuring that this process succeeds, both for the sake of Iraq and in the interests of stability throughout the region.

(Applause)

Speroni (IND/DEM). – *(IT)* Mr President, ladies and gentlemen, I have serious doubts as to whether the actions of the European Parliament can influence the situation in Iraq. In any case, what is happening demonstrates the splits within the European Union and the lack of a foreign policy, in that 12 countries are present, 12 more are absent and one has withdrawn. It should also be noted that there is a lack of a common feeling of being European. In fact, every time there are killings or kidnappings, nobody asks whether European citizens were involved, but the Italians ask if there were any Italians, the Spanish if there were any Spaniards, the Greeks if there were any Greeks, the French if there were any French people, and so on. This observation is highly significant for those who at all costs want Europe to have a role, because such division will not allow it to have one.

Lastly, with regard to the institutional situation, I believe that the principle of the self-determination of peoples should be fully applied to the minorities in Iraq. The autonomy or independence of the Kurds or of the other peoples living in Iraq should be decided neither by a foreign power nor by representatives of the old or new regimes.

President. – The debate is adjourned at this point for the vote and will continue immediately after it.

IN THE CHAIR: MR FRIEDRICH

Vice-President

3. Vote

President. We now come to the vote⁽¹⁾.

Proposal for a decision (B6-0030/2004) on setting up a temporary committee on policy challenges and budgetary means of the enlarged Union 2007-2013

(Parliament adopted the decision)

Report (A6-0001/2004) by Philippe Morillon on behalf of the Committee on Fisheries on the proposal for a Council regulation on the conclusion of the Protocol defining, for the period 3 December 2003 to 2 December 2007, the fishing opportunities and the financial compensation provided for by the Agreement between the European Economic Community and the Government of Mauritius on fishing in the waters of Mauritius (COM(2004) 0197 – C5-0179/2004 – 2004/0071(CNS))

(Parliament adopted the legislative resolution)

Report (A6-0002/2004) by Philippe Morillon on behalf of the Committee on Fisheries on the proposal for a Council regulation on the conclusion of the Protocol defining for the period 1 January 2004 to 31 December 2006 the tuna fishing opportunities and the financial contribution provided for in the Agreement between the European Economic Community and the Democratic Republic of Madagascar on fishing off Madagascar

(COM(2004)0218 – C5-0186/2004 – 2004/0070(CNS))

(Parliament adopted the legislative resolution)

Report (A6-0003/2004) by Philippe Morillon on behalf of the Committee on Fisheries on the proposal for a Council regulation on the conclusion of the Agreement in the form of an Exchange of Letters concerning the extension of the Protocol setting out the fishing opportunities and financial contribution provided for in the Agreement between the European Economic Community and the

⁽¹⁾ Appointment of Members of Parliament to the ACP-EU Assembly and the Euro-Mediterranean Parliamentary Forum – composition of delegations: see Minutes.

Republic of Cape Verde on fishing off the coast of Cape Verde for the period 1 July 2004 to 30 June 2005 (COM(2004)0183 – C5-0189/2004 – 2004/0058(CNS))

(Parliament adopted the legislative resolution)

That concludes the voting.

EXPLANATIONS OF VOTE

- Decision B6-0030/2004

Queiró (PPE-DE), in writing. (PT) I voted in favour of setting up a temporary committee on policy challenges and budgetary means of the enlarged Union 2007-2013, because it strikes me as crucial that we monitor this process very carefully, and gather and coordinate points of view on the different items of the budget that Parliament will evaluate through its various parliamentary committees.

Parliament's political priorities in these negotiations must be in line with the structure of the new financial perspective. I feel that it is crucial that Parliament's final position should be incorporated into the Council's common position, so that the negotiations can begin in a climate of mutual understanding of the European Project's orientation in the near future.

I feel that this process must make use of internal coherence comprising all of the institutions' assets and that all efforts must be channelled not only into the negotiations themselves, but, most importantly, into placing greater value on the aims of the Lisbon Strategy, and on an energetic economic and social cohesion policy that will continue to enable convergence in levels of well-being among the peoples of the various Member States.

Ribeiro (GUE/NGL), in writing. (PT) Although we voted in favour of setting up a temporary committee on political priorities and budgetary means of the future financial perspective 2007-2013, there are two questions that we would like to see resolved.

Firstly, the committee's work must not be allowed to replace, reduce or subordinate the parallel work, in accordance with procedure, that will take place in the other parliamentary committees. This committee must bring added value, in close cooperation and in discussion with the various parliamentary committees, and must not be a motive for blocking or watering down. It is obvious, as far as we are concerned, that opinions on the regulations of the different funds proposed, specifically at the levels of cohesion, social affairs and the productive economy, must be developed in the relevant parliamentary committees.

Secondly, different political and nationality groups must be guaranteed representation. We therefore welcome the fact that an agreement has been reached to increase the size of this committee to 50 members, provided that this representation is guaranteed.

Ribeiro e Castro (PPE-DE), in writing. (PT) I voted in favour of Parliament setting up this temporary committee on policy challenges and budgetary means of the European Union.

I sincerely hope that the guidance of the group chairmen and of the Conference of Presidents was passed on, as they consider that this historical moment and its practical implications for a Europe of over 450 million citizens justifies this particular committee. This methodology must enable the views of the different committees concerned to be gathered, considered and coordinated, thereby contributing to a more precise definition of Parliament's political priorities, which will be reflected in the future financial perspectives.

This must not serve to weaken positions already taken by Parliament, clearly opposed to reducing EU resources or abandoning, or simply weakening, the aims and policies of cohesion. This is not a matter, in my view, of setting a new starting point. On the contrary, this temporary committee must at least adopt the Commission's proposal on the financial perspectives and must seek to set more ambitious targets as regards the EU's budgetary resources. It must also move more quickly in its cohesion aims. This is the challenge in these times of an enlarged Union and the new constitutional Treaty.

- Morillon Report (A6-0001/2004)

Goudin, Lundgren and Wohlin (IND/DEM), in writing. (SV) We believe that the European Union's policy on fisheries agreements must be reviewed. Over-exploitation of fishing waters forces people into ever-greater poverty and robs the marine environment of a vital link in the food chain. It would be better if those countries

with which the EU signs fisheries agreements were instead given assistance so that they themselves could develop their own fisheries.

We do not accept Amendment No 7 by the Group of the Alliance of Liberals and Democrats for Europe, whereby the Commission would be given an independent source of income. We believe that, if the EU concludes a fisheries agreement with a third country, the total amount of the financial compensation for this third country must be funded by those EU Member States whose fishing vessels exploit the relevant opportunities under the agreement. Those Member States might then each themselves decide whether they, in turn, are to fund this expenditure by imposing taxes upon their respective fishing vessels.

Queiró (PPE-DE), in writing. (PT) I voted in favour of the report by Mr Morillon on the proposal for a Council regulation on the conclusion of the Protocol defining, for the period 3 December 2003 to 2 December 2007, the fishing opportunities and the financial compensation provided for by the Agreement between the European Economic Community and the Government of Mauritius on fishing in the waters of Mauritius, because I feel that it is crucial to coordinate the protection of the EU's interests in the area of fishing with the management of maritime resources and with the development of the populations that depend on fishing. The EU must make an accurate assessment of the sustainability of fishing agreements with third countries, given that specific measures have taken on greater importance in the correct implementation of Community actions aimed at developing local communities, especially coastal communities that rely on traditional fishing. Community tuna shipowners will also be protected, through measures imposing greater control over fishing activities aimed at combating illegal fishing. Those measures will make a contribution towards ensuring responsible fishing in the Indian Ocean.

Ribeiro (GUE/NGL), in writing. (PT) It has become vitally important to safeguard fishing opportunities for Community fleets, in particular the Portuguese fleet, in third-country exclusive economic zones, not only from the point of view of economics and of safeguarding jobs, but also the survival of countless regions that depend on fishing in the EU, in particular the outermost regions.

Much of the Portuguese distant water fishing fleet has been disappearing owing to the fact that opportunities have been decreasing and the cost of licences increasing, and that the common fisheries policy rewards those who scrap boats and is set to stop giving aid for repairing fleets – in this respect Portugal has been an 'exemplary pupil'. This also leads us to feel that the amendments aimed at passing on the costs to the tuna shipowners do not make sense.

These agreements, which are commercial in nature, may also contribute towards the sustainable management of fishing resources and towards the development of local fishing communities. The current Fisheries Protocol, which runs until 2 December 2007, will enable the seven Portuguese surface longliners to continue to operate as they have been doing.

Ribeiro e Castro (PPE-DE), in writing. (PT) The issue here is the conclusion of another fishing agreement between the EU and various Indian Ocean countries, in this case Mauritius. This agreement, with the necessary adaptations, extends the successive agreements concluded in the field since 1989.

Although this a relatively modest agreement from a financial point of view and solely concerns tuna, the highly migratory nature of the species makes this agreement even more important to Community tuna shipowners. The agreement also makes economic sense given that the value of catches far exceeds the cost of the protocol to the EU.

The further advantages of concluding the agreement, such as creating jobs on fishing vessels, in ports, auctions, processing factories, shipyards and service industries both in the EU and in Mauritius itself, strike me as similarly beneficial.

Given that right now seven of the 90 Community vessels in Mauritian waters are Portuguese, I voted in favour of the report before us, as I feel that the amendments suggested by the rapporteur add value to this Proposal for a Regulation.

Titford (IND/DEM), in writing. These fisheries deals show the European Union in its worst possible light: greedy, exploitative and behaving like a colonial power.

Over the last five years I have campaigned against this appalling environmental degradation and tried to highlight the human cost to the indigenous black African communities. In 2003 and early 2004 over 100 MEPs had, at last, begun to listen. Now I see that opposition has fallen to 70 or 80. The reason, I am told, is that the deals have been reformed.

But I would be very cautious about the word 'reform' in an EU context. Invariably it is meaningless. In the case of Africa, it means that some aspects of the deal may be slightly less bad. It is the whole principle that is wrong and that is why UKIP will continue to oppose these deals until that tragic continent gets its fishing grounds back.

- Morillon Report (A6-0002/2004)

Queiró (PPE-DE), in writing. (PT) I voted in favour of the report by Mr Morillon on the proposal for a Council regulation on the conclusion of the Protocol defining for the period 1 January 2004 to 31 December 2006 the tuna fishing opportunities and the financial contribution provided for in the Agreement between the European Economic Community and the Democratic Republic of Madagascar on fishing off Madagascar, because I am in favour of responsible and sustainable fishing. This Protocol sets fishing opportunities for the Community tuna fleet and promotes the development of cooperation based on respect for the laws and regulations under Malagasy national fisheries policy. The new Protocol's global cost is identical to that of the previous Protocol. This agreement is equally crucial to the Malagasy economy, providing an important source of currency and creating jobs for local seamen, as well as in the processing industry and surveillance activities.

Ribeiro (GUE/NGL), in writing. (PT) This eighth Protocol to the Fisheries Agreement with the Democratic Republic of Madagascar runs until the end of 2006 and defines the tuna fishing opportunities for Community fleets – which include six Portuguese surface longliners – pursuant to the other agreements on tuna concluded by the Community with Indian Ocean countries, which we broadly welcome.

Nevertheless, one question that raises a number of doubts is the so-called exclusivity clause, which suggests that vessels flying the flag of a Member State cannot obtain a licence by any means other than this Protocol. In practice, it will be forbidden to make any further agreements, such as bilateral agreements, which strikes us as excessive and also constitutes interference in the internal politics of individual Member States. This is particularly so given that there are countries that enjoy traditional, historical relations that are not covered by the Community Agreement.

Ribeiro e Castro (PPE-DE), in writing. (PT) This agreement, which focuses solely on tuna, is another of the agreements concluded by the EU with Indian Ocean countries, enabling the European fleet to continue to operate in the waters off Madagascar.

I feel that the EU's fisheries policy must stress the need for transparency, which is especially important in agreements of this nature, the objective of which is not simply about European interests. Indeed, the development of the Malagasy economy, respect for the environment and the sustainability of the fishing effort in Madagascar's territorial waters are three areas that must not be overlooked in this Protocol.

I share the rapporteur's concern that the Malagasy Government must take steps to monitor fisheries activities more closely. Otherwise, the balance of resources and his assertion that coastal communities must benefit from this Protocol will be in jeopardy.

I therefore voted in favour.

- Morillon Report (A6-0003/2004)

Queiró (PPE-DE), in writing. (PT) I voted in favour of the report on the proposal for a Council regulation on the conclusion of the Agreement in the form of an Exchange of Letters concerning the extension of the Protocol setting out the fishing opportunities and financial contribution provided for in the Agreement between the European Economic Community and the Republic of Cape Verde on fishing off the coast of Cape Verde for the period 1 July 2004 to 30 June 2005, given the mutual benefits for both the Community and for Cape Verde that will result from the conclusion of this agreement.

We understand that this extension is an attempt to improve certain aspects of this agreement, in view of the fact that the authorities of this country, of which the official language is Portuguese, do not have a reliable study of the state of resources and of the repercussions of the targeted measures designed to develop Cape Verde's fisheries sector. Cape Verde and its fishing communities can only benefit if this situation is rectified.

Ribeiro (GUE/NGL), in writing. (PT) We welcome this report in view of its social and economic importance to the Republic of Cape Verde and to those countries whose fleets are involved – the Spanish, Portuguese and French fleets – amounting to 117 vessels. The report focuses mainly on tuna, but also covers demersal species.

The extension of the current fisheries agreement for a further year – until 30 June 2005 – will enable tuna shipowners to pursue their fisheries activities in the exclusive economic zone of Cape Verde, including the two Portuguese pole-and-line vessels and the ten Portuguese surface longliners. The Portuguese fleet is, furthermore, allowed to catch up to 630 gross registered tonnes (GRT) by bottom trawling. These fishing opportunities appear miniscule, however, in view of the traditional and historical relations between Portugal and Cape Verde, but this is also a reflection of the fisheries policies of a CFP that has gradually led to the destruction of distant water fishing fleets, as in the case of the Portuguese fleet.

Ribeiro e Castro (PPE-DE), *in writing*. (PT) The issue before us is the extension of the fisheries Protocol between the EU and Cape Verde for the period 1 July 2004 to 30 June 2005, which focuses mainly on tuna and which is intended to enable Community tuna shipowners to continue to pursue their fisheries activities in the exclusive economic zone of Cape Verde.

The Commission says that a thorough assessment of the current Protocol must be carried out for this relationship with Cape Verde to continue, and for a new agreement for the coming years to be concluded. Like the rapporteur, I feel that this commitment by the Commission is opportune and welcome.

In view of the advantages for Community tuna shipowners, of the fact that the value of the catches far exceeds the cost of the agreement, of the mutual benefits for both the EU and Cape Verde and of the fact that these catches can supply the Community market, I must welcome the conclusion of this Protocol, which has been improved by the proposals tabled by the rapporteur.

I voted in favour.

IN THE CHAIR: MR TRAKATELLIS

Vice-President

4. Situation in Iraq (continuation)

Klich (PPE-DE). (PL) Mr President, ladies and gentlemen, it is abundantly obvious that the situation in Iraq is gradually deteriorating. Guerrilla fighting is spreading and the number of terrorist acts is rising. Last Sunday, 600 attacks of this type occurred. The position of the interim government is weakening, and there is a risk that the political process outlined in Security Council Resolution 1546 will be brought to a halt. Elections are meant to take place by 31 January 2005. If they do not, the constitution will not be adopted and a final, permanent government will not be appointed in early 2006.

This means we are currently at a turning point, and that either Iraq will take action to abide by the timetable outlined in Resolution 1546, or the entire reconstruction of the country will be brought to a halt. This leads to the question as to how to proceed.

Firstly, the military coalition should not be weakened, as the socialists wish, and troops should not be withdrawn. Instead, the military contingent should be increased, as the present number of around 200 000 soldiers is quite inadequate to stabilise the situation in Iraq.

Secondly, the UN's role in Iraq should gradually be stepped up, and it should go beyond its current role as midwife to the democratic process.

Thirdly, and as set out in the motion for a resolution on Iraq by members of the Group of the European People's Party (Christian Democrats) and European Democrats, it is important for the European Union to be extremely active in its support for the transformation of Iraq in various fields, on the premise that Iraq is our joint responsibility, the joint responsibility of all Europeans and that of the entire European Union.

It is important to provide political backing, supporting the measures taken by the interim government, and later by the permanent Iraqi authorities. Expert support is also needed, in creating police forces, for example. Humanitarian and financial support on a far greater scale than this year is required too.

A democratic Iraq should not be held hostage to last year's arguments in Europe. Mr Bot said that Iraq is a divisive issue. It should not be, and a line should be drawn under the arguments of the past year. Iraq's future requires all of us and the entire European Union to be fully mobilised, as was and is the case for reconstruction in the Balkans.

Gruber (PSE). – *(IT)* Mr President, ladies and gentlemen, we in Europe have had very divergent opinions on the war in Iraq, but the disaster in that country, which is there for all to see, has unfortunately confirmed that the fears that many of us expressed were well founded. It is now urgent to try to bring a stop to the chaos and violence, even if it is difficult to talk of peace and democracy when every day is marked by kidnappings, murders, guerrilla attacks, terrorist ambushes and air bombardments. Europe is being called upon to act and Parliament itself must take a more active investigative and steering role in such a decisive matter of foreign policy.

I believe, therefore, that the Presidency of the European Council should resolve to take part in an international conference on Iraq as soon as possible with a view to the multilateral management of the crisis, which should involve the United Nations, the major world powers and all those countries with an interest in the region, that is, Iran, Saudi Arabia, Turkey and Syria. To promote this path to restoring peace, Europe needs to take strong, united action that is clearly in favour of dialogue with the Islamic world and strongly against terrorism and all kinds of violence.

I thank Commissioner Patten for his very lucid and effective speech.

Chiesa (ALDE). – *(IT)* Mr President, ladies and gentlemen, I warmly appreciated Commissioner Patten's words, but it is with great disappointment and concern that I note that the text of the joint motion for a resolution on the situation in Iraq that has been put before us is a serious step backwards compared with Parliament's condemnation of the United States' pre-emptive war that was issued early in 2003.

Today, faced with the political and military disaster of the occupation, we cannot even demand or envisage the withdrawal of the occupying foreign troops and we avoid the need to identify those responsible for the current situation.

I see no political realism. The evidence says that a mass uprising of the people is under way against the occupying powers and against a government that does not represent the country. The terrorist presence cannot hide that fact. Indeed, as Mr D'Alema said as well, it is the presence of foreign troops that is attracting and causing the terrorism.

If it does not make a stand, Europe is in serious danger of finding itself in a few months' time not only facing an even more widespread disaster but also of being jointly responsible for it. Under these conditions, the elections planned for January 2005, if they take place, will be neither free nor fair. Condemning terrorism without saying who and what created the whole situation means we are hiding our heads in the sand.

I believe we should send out a different signal to public opinion in the Arab and Islamic world and also to public opinion in Europe, the major part of which is hostile to the war, calling first of all for an immediate halt to the bombing. Otherwise we all shall miss a great opportunity to contribute to justice and peace and to influence the international situation for the good.

Vatanen (PPE-DE). – Mr President, I should like to thank Commissioner Patten for the work he has done. I wish him all the best – drive carefully, Commissioner!

(FI) Mr President, it is obvious that Iraq and the world are better places without Saddam than with Saddam. It does not help to blame others in this difficult situation; instead we should look ahead. Mankind has to answer the question of what we are to do with tyrants, despots who kill their own people or those of another country. Human suffering, whether it is in one's own or another country, is always the same.

There was no help from the League of Nations when Stalin attacked Finland. What is the role of the United Nations today? To maintain world order we need a revamped UN. We need a UN with a Security Council and a UN on which there is also a seat for the EU. Before we can do this, however, we need a common EU foreign policy. Now, the issue of Iraq has split the EU, and the EU cannot play the role we should be able to in securing world peace, or peace in Iraq, because we are so divided.

It is important for us to help Iraq on a wide front in this difficult situation. We must do all we can to combat terrorism, including its causes, as otherwise tomorrow we will find bombs in our own homes. We must do all we can to help Iraq to develop democracy, to develop civil government. Now is not the time to hide our heads in the sand.

I am disappointed that the resolution makes no mention of prohibiting the death penalty. The Iraqi constitution should definitely contain a mention of the prohibition of the death penalty, as the protection of life is a basic value, the starting-point for everything. Finally, this is an opportunity to show the international

community and the EU whether we are capable of leadership and keeping overall control of the situation, or whether we are just content with discussing the politics of the day.

(Applause)

Beglitis (PSE). – *(EL)* Mr President, I should like to start by expressing my solidarity with and support for the European citizens – the two French journalists and the two Italian aid workers – being held hostage in Iraq. Their continuing captivity is causing serious injury to the European Union itself and its contribution to the reconstruction of Iraq. We must all strengthen our cooperation and join our voices to obtain their immediate release.

Iraq is sinking deeper and deeper into violence and instability and is now lacking even fundamental security. Every day, the political process of transition to free elections, as provided for in UN Security Council Resolution 1546, is being undermined. The departure of the international and European aid workers will be a defeat for the international community and, more importantly, for the European Union.

Last June we all welcomed unanimous Security Council resolution 1546 marking the start of the political process which would result in free elections and a new democratic constitution. Despite the legalisation of the occupying forces as a multinational force by the Security Council, the occupation continues; it is a fact of life and the source and main reason for the continuing conflict. Under these circumstances, who truly believes that the timetable set out in Resolution 1546 will be adhered to, who believes that it can guarantee smooth political process, who believes that the UN can play the leading role in Iraq? The European Union must play its own autonomous role, make its own analysis of the security situation and proceed with its own analysis of the role and composition of and prospects for the multinational force.

The 2004 Commission communication is important, just as the role of Commissioner Patten is important. However, I fear that they cannot be implemented. The European Commission and the Council of Ministers must proceed at once to draft a report evaluating the security situation in Iraq, just as an international initiative must be taken to convene an international conference.

Mauro (PPE-DE). – *(IT)* Mr President, ladies and gentlemen, during the debate I have listened to learned, elaborate speeches about geopolitics, with which in fact I agree to a great extent. It is, however, quite clear that, despite a declared common European feeling, Europe – and the Council in particular – will do nothing for the four European citizens who are being held hostage right now by the terrorists.

Europe – and the Council in particular – will do nothing to make these four European citizens stop being considered just Italians or just French; stop being just journalists, doing a job assigned to those who feel they have a duty to report the truth; stop being just international aid workers, doing a job assigned to those who feel they have a duty to work for the common good; and start being adopted simply as children of Europe.

This observation, though bitter, is not intended to be one of resignation, and in fact I continue to call insistently for the immediate release of all the hostages, without making them undergo any further ordeals, and for support for all efforts to achieve this outcome.

With its people, its volunteers and its solidarity, including in peacekeeping or crisis containment operations, Italy has always done its utmost for the good of the population in the Italian areas of activity. The two Italian women volunteers, like so many others, are there to help, to protect the weak and to do good. That is why we want them released, together with all the other hostages.

We also ask that the body of Enzo Baldoni be returned and, in this respect, we ask for his family to be shown pity as well. We must not now allow the ideal that those two young women embody to be held in check, for there is a real possibility to build a sense of the common good and brotherhood within the Iraqi mind. Those two women and the two journalists are genuine representatives of Europe.

Gröner (PSE). – *(DE)* Mr President, one aspect of this debate that angers me is that neither the Council nor the Commission have had a word to say about women, who make up the majority of the population in Iraq, not a word about their exclusion from the transitional government or the process of democratisation. OK, so we want free elections, but what about Iraq's female majority?

The Committee on Women's Rights and Gender Equality organised a hearing with Iraqi women, at which the hope was expressed that we would provide outside help, highlighting painful issues as we did in Afghanistan, and that women could be involved in the process of democratisation. For that reason, we women in the Socialist Group in the European Parliament want this aid with reconstruction to be tied to the

stipulation that women be fully involved. No matter what the terror, hope must not be allowed to die, and it is through women and children that it lives on – the hope that they will again be able to work as police officers, as politicians, as doctors, and as university professors, as they did under Saddam, dictator though he was.

That, I believe, is why we must not forget, while demanding the immediate release of the hostages, that Iraq's women, too, have to be set free.

Queiró (PPE-DE). – (PT) The instability and terror that Iraq is currently enduring, and the recent nominal restoration of sovereignty in the country, with the establishment of an Interim Government, go to show the complexity of the process of creating a secure, stable and democratic Iraq. The EU must, however, play a part in that process, in these turbulent and dangerous times for all of us.

Accordingly, the direction taken by European cooperation with Iraq is consistent with the process of reconstructing the country and restoring democracy. We must, now more than ever, be conscious of the thin line separating internal security and external security. Consequently, new approaches to cooperation are needed that go beyond bloody-minded unilateral acts, which are no longer acceptable and are little more than representations of outdated debate, as has already been said in this House.

Nowadays, when anything can be deemed a target, it has become even more necessary for our alliances to remain firm in that fight. No effort must be spared against the endless horrors of terrorism. Europe must set an example of firmness in condemning terrorist attacks against civilians, the police, soldiers of the multinational force and civilian hostages. Parliament must bring all of its political weight and influence to bear to ensure that those hostages are released immediately. We are speaking about appalling crimes that have yet to be punished.

We must also support the Interim Government's intention to press ahead, in spite of all the difficulties, with preparations for free and democratic elections in January 2005. When time appears to be against the Iraqi people who want to be able to prepare the route towards democracy and the dismantling of terrorist networks operating in the country, we have no doubt that the EU and its Member States share this commitment to support the Iraqi people in reconstructing a country that is secure, democratic, unified and prosperous, a country at peace within its borders, a country that wants to re-establish working relations with its neighbours and with the rest of the world.

Mr President, Parliament must not waver in the face of the complex nature of these times. We must remain firm in our societies, our alliances must remain solid and loyal and, most importantly, our actions must form part of a concerted struggle for the peace, stability and prosperity to which Iraq and the Iraqi people are unquestionably entitled. After all, Mr President, nobody wishes to see this fail.

Maat (PPE-DE). – (NL) Mr President, my observations are, above all, inspired by my role as member of the Committee on Budgetary Control and the Committee on Foreign Affairs. I realise that although the EU's role is modest for the time being, it can nevertheless help determine the quality of democracy in future. My questions are concrete and I should say beforehand that I welcome the proposal by the President-in-Office of the Council to perhaps send a fact-finding mission to Iraq later on this year. My first question is about spending EU funding in Iraq itself. It appears to me that for practical considerations, it has been decided to spend these monies mainly via the existing, traditional channels in a bid to make the greatest possible impact. However, as a result of this, it looks as if minorities, and I am particularly referring to the Assyrian minority, which accounts for 10% of the population and mainly consists of Christians, are at risk of falling by the wayside. That would be harrowing, because they also suffered the effects of Saddam Hussein's arabisation programme, and are now also suffering repression in the Kurdish region. Could the Commission, and also the Council, say a little more about how the funds will be spent, particularly where this minority and other small minorities are concerned?

My second point concerns the draft constitution, in which Arabic and Kurdish are recognised as official languages. Assyrian, however, is not, despite the fact that more than 10% of the population speak it. What role can the European Union play on this score in order to guarantee the positions of minorities and also in respect of minority languages in the new Iraq and Iraqi society?

Bot, Council. – (NL) Mr President, ladies and gentlemen, first of all, I can say that I have listened with great interest, and also with much appreciation, to the many contributions today about this sensitive issue. I should like to say that after everything that has happened, we would do well to look ahead instead of heaping

reproaches on one another. I think that that is what we should do, because our ultimate goal is not to leave the Iraqi people in the lurch. That is why we need to constantly remind ourselves of what our goals are.

First of all, I think that we have to ensure that the political process is completed, as has also been clearly explained in Resolution 1546. I also think that the European Union is determined to make a constructive and effective contribution to that effect. We could, for example, help to ensure that everything in the election process runs smoothly and that all Iraqis can actually take part. We could help install a legal government, and ensure that, once that legal government is in place, it is also supported by effective administration. In short, I think that we must seek to introduce in that stricken country the values we regard as so important. Democracy, something that Iraq has lacked for so long, springs to mind. I am also thinking of human rights and respect for them, and I can tell you that that also includes women, something that was quite rightly pointed out earlier. I am thinking of respect for minorities, including the Assyrian minority, which is another of that country's problems to which sufficient attention will need to be paid. I am thinking about the establishment of a constitutional state and the way in which we, the European Union, backed by our extensive experience, with the contribution we can make to restoring a true, independent, legal body with judges who truly render judgment, with everything that is involved in this and what is important, can train these people and give them guidance. Someone has also pointed out the importance of the neighbouring countries. This is a view that I readily support. As I already stated in my first intervention, during my meetings with the Prime Minister and ministers during my visit to Iraq, I noted that the European Union will gladly accept an invitation to take part in the next conference of neighbouring countries. After all, as has been said several times on this platform, stability in Iraq also means stability in the region. Peace and democracy in Iraq will also rub off on the neighbouring countries. I think that we should do our utmost, firstly, to ensure that peace and democracy are in place in Iraq itself. Therefore, once we have managed to bridge the differences of opinion which existed, we as European Union should also be able to make our presence clearly felt in Iraq. I know how much this is appreciated and wanted by the present government. I therefore think that we cannot avoid our responsibilities and that we must actually follow the clear trajectory that we have mapped out. The Dutch Presidency will ensure that this is done. I have clearly set out those goals. I have also explained that we have sent an exploratory mission, that we will now send a follow-up mission and that, based on this, we will very shortly state how we can give substance to this. That is our aim, and I hope that I will be able to report on the results at the end of our presidency.

President. – The debate is closed.

I have received six motions for resolutions to wind up the debate on the situation in Iraq in accordance with Rule 103(2) of the Rules of Procedure.⁽²⁾

The vote will take place tomorrow, Thursday.

(The sitting was suspended at 12.40 p.m. and resumed at 3.00 p.m.)

WRITTEN STATEMENT (RULE 142)

Ribeiro (GUE/NGL). – *(PT)* Having learnt the lessons from previous experiences and failures, this was to be a surgical operation; complete in a matter of days, weapons of mass destruction located and eliminated, a dictator toppled, a democracy – another democracy – installed.

Days passed; the days ran into weeks, and then months. We are now measuring the time in terms of years; the weapons never existed (as we knew); a country is being occupied against the will of its people, who are resisting; the war goes on, in increasingly dramatic fashion; the casualty figures mount up, from dozens, with names and faces, to thousands, who are anonymous and do not count towards the statistics. What is more, some political positions appear to be held hostage by hostage taking.

The United States has installed military bases in that part of the Middle East whilst in Palestine violence against Palestinians has reared its head again, the price of oil has risen, thereby demonstrating all the inconsistency of an economy that is entirely dependent on oil, of a globalised economy that is in thrall to finance and speculation.

In the countries of the EU, since the initial split, there has been relative unity in search of a share of the spoils of occupation and reconstruction. There are those, however, who have denounced this enormous sham,

⁽²⁾ See Minutes.

and it is essential that they do so because people now have access to information that was previously non-existent or much less complete.

Let us fight to ensure that positions of this ...

(Explanation of vote abbreviated in accordance with Rule 163 of the Rules of Procedure)

IN THE CHAIR: MR BORRELL FONTELLES

President

5. Approval of the Minutes of the previous sitting

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

Are there any comments?

Tannock (PPE-DE). – Mr President, I would like to intervene on behalf of Mr Pannella of the Italian Radicals, who is in Italy, to make a point of order regarding the calendar. I am informed that Mr Pannella was refused the right to amend the calendar by the Presidency in the same way that I was two years ago, as it threatened the twelve Strasbourg part-sessions, albeit within the letter of the Treaties. In Parliament's verbatim report it fails to register your statement that 'no amendments were submitted'. In fact, of course, none were permitted. Can you ensure that the verbatim report accurately reflects what you actually stated, which is now being taped for verification purposes?

President. Thank you, Mr Tannock. Your comment will appear in the Minutes, which will be corrected to reflect precisely what happened.

(The Minutes were approved)

6. Stability and Growth Pact

President. The next item is the debate on the Council and Commission Statements on the Stability and Growth Pact.

Zalm, Council. Mr President, we had an interesting meeting in Scheveningen. The discussion was based on three papers. First, a Commission communication on the Stability and Growth Pact; second, a Court ruling on the excessive deficit procedure with reference to Germany and France; and third, a statement by the European Council on the Stability and Growth Pact. Ministers agreed that the Commission communication offered a good basis for discussion.

The discussion was held in two parts. First, we had a long discussion in the euro group with the 12. Next, we discussed these conclusions in the group of 25, because the other 13 hope to become members of EMU as soon as possible. The first conclusion we came to – contrary to some press interpretations – is that Ministers are not seeking to water down the pact, but rather want it to be strengthened, clarified and better implemented. Of course, the discussions could not be concluded in a single day, so we gave our collaborators some political guidance to enable them to work on the question in the future, together with the Commission.

The first thing we noticed is that, contrary to what is sometimes thought, the Stability Pact has proven its usefulness in anchoring budget deficits. If you compare, for example, the budget deficits in the Member States during the current slowdown with earlier slowdowns, or with what is happening elsewhere in the world, it can be seen that the pact has contributed to lower deficit levels than we would otherwise have seen. If you also look at interest rates and inflation, we can be pleased with the effects of the combined budgetary and monetary policy.

The second point we agreed upon is that we will not change anything as far as the 3% or 60% criteria are concerned – these are in the Treaty, are of paramount importance and should not be changed. We also agreed that a rule-based system remains the best guarantee for ensuring that commitments are enforced for all Member States in an equal way. We agreed that the Treaty should not be changed at all and that changes to regulations should be kept to a minimum, if indeed they are needed at all, but we are not sure of that yet.

In strengthening and clarifying the Stability and Growth Pact, due consideration should be given to strengthening its economic rationale and its implementation. To ensure the credibility of the framework, rules should be kept both transparent and simple. We think the following elements should be analysed. Firstly, the preventive arm of the pact should be strengthened. A more symmetrical approach to fiscal policy is needed through budgetary discipline during good times so as gradually to achieve budgetary surpluses when the upswing comes. Secondly, we shall use peer pressure and peer support at an early stage of budgetary deviations, rather than waiting until a country breaches the 3% rule. Thirdly, we need transparent budgetary figures and growth assumptions in order to identify and correct budgetary deviations in a timely manner.

The second issue we discussed was debt and debt sustainability. The focus on these elements should be enhanced. Firstly, more attention should be paid to the fact that a debt ratio should be sufficiently diminishing if it is above its reference value, approaching the reference value at a satisfactory pace. Secondly, in assessing whether a Member State has reached sustainable public finances, the costs of ageing should be taken into account. Thirdly, we agreed to look further into the issue of debt sustainability. One particular concern centred on the possible statistical implications of pension reforms. This concerns a few countries, but is something we should investigate further.

A third important element is that when a country is subject to an excessive deficit procedure and we have to assess whether it is complying with the recommendations, we should make a clear distinction between measures taken, on the one hand, and economic forecasting errors. Until now we issued recommendations on the efforts required and hoped for a result, but that result was in the same spirit as the written forecast. Thus in future, when assessing whether or not a country has met the recommendations, we should make a distinction between policy mistakes and forecasting mistakes.

Finally, within the framework of the Stability and Growth Pact, budgetary policies need to set the right priorities for structural reforms, innovation and competitiveness in support of the Lisbon Agenda to promote economic growth and create jobs. We asked the Economic and Financial Committee and the Commission to work these principles out further so we can have another discussion at ministerial level. We also agreed that it would be best to hold this discussion in parallel with discussions on France and Germany and the excessive deficit procedure applied to them.

(Applause)

Almunia, Commission. (ES) Mr President, ladies and gentlemen, Mr President-in-Office of the Council, I would like to start by thanking you for inviting me to this debate on the Stability and Growth Pact. As you know, in September the European Commission approved a communication on strengthening economic governance and clarifying the implementation of the Stability and Growth Pact.

I believe it is very important that there be a debate not just in the Council, like the debate we held last weekend – and those we will have over the coming weeks and months – but also in this Parliament and in the national parliaments, on the framework for economic governance and, in particular, the situation and the future prospects of the Stability and Growth Pact.

As the President-in-Office of the Council, Mr Zalm, has said, last weekend in the Hague, both in the Eurogroup of 12 and around the table of the extended Eurogroup – the informal Ecofin of 25 – we held an initial debate on this issue. The Council has agreed that the Commission's Communication provides a good basis for discussion and now we trust that in the coming weeks and months the work we are going to carry out at a more technical level between representatives of the Member States in the Economic and Financial Committee and the Commission will allow us to go to the November Ecofin with a degree of agreement with much more content than we have been able to debate and achieve on many points involving the more general ideas and principles included in the Commission's Communication.

As Mr Zalm has also said, the draft Constitutional Treaty approved in June ratifies what is already included in the Treaty and we do not propose changing it. They are the basic principles, the basic reference values in terms of the evolution of public deficits and public debt and the excessive deficit procedure, as defined in the current Article 104 of the Treaty.

It is not therefore a question of discussing what is not subject to discussion, because that is in the current Treaty and is going to be in the future Constitution. What we need to do is debate proposals to improve, strengthen and clarify its application and improve the degree of compliance with the framework laid down in the current Treaty and provided for, amongst other things, in the Stability and Growth Pact.

This framework is based on national but coordinated economic policies involving budgetary policies that must conform to the 3% limit for budgetary deficit and the debt criterion of 60 % of Gross Domestic Product.

On this basis, the Commission's ideas expressed in the Communication deal with both the coordination of economic policies and the coordination and surveillance of budgetary policies.

With regard to economic policy, we believe there is a clear need to coordinate our actions better in the field of structural reforms and increase our efforts to implement the Lisbon Agenda. Europe needs to increase its growth potential and create more jobs and we cannot work solely on the basis of one instrument – the Stability and Growth Pact – in order to coordinate our economic policies.

We must therefore use the broad economic policy guidelines more effectively, an instrument which, by its very nature, is more flexible than the Stability and Growth Pact and, at the same time, we must improve the application of the Stability and Growth Pact by applying the preventive measures and aspects of the Pact more frequently and effectively, strengthening mutual control (peer pressure) and, in particular, we must do so during favourable periods of the economic cycle.

With regard to budgetary coordination, the Commission's proposals aimed at strengthening and adapting the Stability and Growth Pact are based on four main issues. Firstly, the need to place more emphasis on the level of indebtedness and on the sustainability of public finances throughout the process of monitoring the evolution of those public finances in each of the Member States. In principle, compliance with the maximum limit for deficit of 3 % must guarantee an adequate reduction in the level of indebtedness and the sustainability of the public finances of each country. In practice, however, in many countries the evolution of debt has not been as expected due to the application of exceptional measures or the appearance of implicit debts. We must therefore pay more attention to the evolution of debt in addition to tight control of the evolution of public deficit.

It must be made clear that the problem of sustainability does not only affect countries that already have high levels of debt, above the reference value of 60 %, but also other Member States where the percentage of their debt in relation to Gross Domestic Product is increasing or where, though it is not increasing at the moment, they know that in the future very important and very difficult challenges have to be faced, including those resulting from demographic developments and the ageing of the population.

Secondly, the Commission is aware of the need to take more account of the different national situations when it comes to monitoring the budgetary evolution of each of the countries and, in particular, when it comes to determining the mid-term objective. In a Union of 25 countries it is not a question of creating an *à la carte* pact – as some people have said – it is not the Commission's intention to do that, but rather to apply the economic logic that suggests that it is not advisable to establish a uniform mid-term objective for the evolution of the public finances of each and every country of the enlarged Europe.

At the same time, the specific mid-term objectives for each country must in all cases guarantee compliance with the 3 % of GDP rule for their public deficits. Equal treatment for the different Member States is thereby guaranteed, regardless of their differing situations in terms of the sustainability of their public accounts.

Thirdly, the Commission believes that the debate must deal with the need to apply measures quickly, to increase the use of the preventive measures of the Stability and Growth Pact. We all know that, at the end of the Nineties and the beginning of this decade, not all the Member States took advantage of the good state of their economy, of the good stage they were at in the economic cycle, to consolidate their public finances sufficiently, which means that at times of economic difficulty they are not able, or find it very difficult, to obey the 3% rule.

All of these aspects – these first three blocks of ideas – as the President-in-Office of the Council, Mr Zalm, has said, were received favourably by the Council almost immediately. On the corrective part of the Pact there was more debate and there will continue to be so in the future.

In order to be consistent in our preventive measures, we also need, in the corrective part of the Pact, in the excessive deficit procedure, to take account of the circumstances of each country and which stage of the cycle each country's economy is at. How can this be done? By means of two possible procedures. Firstly, the current definition of exceptional circumstances included in the Stability and Growth Pact can be improved, allowing a country not be included in the excessive deficit procedure, despite being above the 3% of deficit, if it has been in a prolonged situation of growth beneath its potential level.

In order to distinguish between periods of cyclical low activity and those of structural low activity and in order to avoid weakening the surveillance framework, the other two requirements contained in the current exceptional circumstances clause must be applied strictly in all cases. That is to say that the deficit must be temporary and there must not be much deviation from the 3%.

A second consideration is the need or the possibility to adjust the path of deficit correction, the speed with which a country which is above the 3% must bring its public deficit below that reference value. The differences between the cyclical situations of the different countries in this position justify this approach.

In any event, the Commission's Communication maintains the principle that an excessive deficit must be corrected quickly, but – as Mr Zalm has said – the influence of other economic factors, other than the intensity of the effort being called for and being made by the country in question on the budgetary results must be considered.

In any event, there is an interrelationship between these two elements included in the exceptional circumstances clause. There is a trade-off here. We cannot choose to increase the room for manoeuvre in the two simultaneously in an uncontrolled manner. If more emphasis is placed on reviewing the entry of a country into the excessive deficit procedure, we will have to be more rigid on the adjustment path. If the current rigidity in relation to entry into the excessive deficit procedure is maintained, the possibility of adjusting the deadlines once the country has been integrated into that procedure may be considered in order to conform to the Treaty.

I am convinced that these improvements are going to provide a basis for strengthening the framework for economic governance of the Economic and Monetary Union, that these ideas and the debate which we will be holding following last weekend not only do not weaken the pact but in fact strengthen it, because the weakness of a pact, the weakness of a fiscal framework, does not just stem from the theoretical brilliance of the rules we all respect *a priori* or in theory, but also from the capacity to apply those rules and, as the recent judgment of the Court of Justice of the European Communities states, the decisions fall to the Member States meeting in the Council. The Commission maintains its right to present proposals, but it is the Council, the Member States, who must apply the rules that they themselves have committed themselves to by approving the Treaty and the subsequent regulations.

We cannot demand that the Member States approve rules which they do not believe in themselves. And, if experience suggests that certain rules require adaptation, it is better to adapt them than not to respect them, leave them unchanged and carry on failing to comply with them, which has unfortunately been the situation at times with the Stability and Growth Pact.

(Applause)

Poettering (PPE-DE). – (DE) Mr President, ladies and gentlemen, we have ahead of us a debate that will be a difficult one and crucial to Europe's future. What is at stake is the credibility of the European Union, of its institutions and of the governments of the Member States. Our experience to date with the single currency has been a good one; it is stable and it and the dollar are the most important currencies in the world, the ones on which all else depends, but the strength of a currency depends not only on the independence of the central bank and on price stability; it also, and in particular, depends on the government's financial and budgetary policies. An unsound budgetary policy can be an even greater danger in a currency union and damage the Community as a whole, that is to say, all who participate in it, particularly if certain larger countries fail to take the required and necessary action.

It is to prevent this that the Maastricht mechanism, the Stability Pact and the relevant regulations are there, and they have been breached in the past. The fact is that, during economic boom periods, budget deficits were not reduced. Of course, we are all for policies being more flexible when times are hard economically speaking, when greater flexibility is a necessity and has to be guaranteed, but, on the other hand, we can see that there is the great danger that, if the criteria are reinterpreted, deficits will not be reduced when the economy is doing well. Our great fear is that that is what will happen. We very much welcome the European Court of Justice's decision as regards the relevant procedures, and, Mr President-in-Office of the Council, we welcome last weekend's decision to give the Commission a new mandate. I also very much welcome your statement to the effect that 'we will stay within the 3% deficit limit, we do not want to exceed 60%'.

When we look at overall debt, though, we see that it is already well in excess of 60% in some Member States, and so I think that reinterpreting the Treaty and the Stability Pact would encourage new indebtedness and should therefore not be contemplated.

The course that the Council has chosen can – as we have seen – both guarantee that the preset Budget procedure will continue and encourage a number of Member States to revert to the budgetary discipline that the Treaty prescribes and which is vital to the future of Europe. I would like to encourage the Commission to put forward a new proposal within the framework laid down by the Council, and would ask them to prevent the impression being created that we, by reinterpreting or even by amending the law, are pursuing a new European deficit management policy for which we will all have to pay dearly.

For how will investment be possible if interest rates end up spiralling and we have to service the debts, and then there is no money to invest in the economy? My advice to this House, then, is that we stay within the framework of the Treaty, while making use of the necessary flexibility that it provides, both when times are hard and when things are going well, in order to guarantee the continued stability of the European currency in the future.

(Applause from the right)

Schulz (PSE). – *(DE)* Mr President, ladies and gentlemen, we note with pleasure the evidence of movement in the Council at the weekend, and I am addressing you, Mr Zalm, as one whom I know as a vigorous defender of the former interpretation of the Stability Pact. Pardon me if I exaggerate somewhat, but I sometimes got the impression that you and some of your colleagues had a positively Manichaean way of interpreting it.

There is only 'either/or'. Some life has been injected into the debate now that it has become evident that there is one thing that we must keep in sight if we want to save the Lisbon strategy, to defend it and advance it, and if its objectives are indeed to be achieved, and that is that all the resources at our disposal – including the Stability and Growth Pact – must be mobilised in making the Lisbon targets realities. Initiating an open-ended inquiry into whether all the measures associated with the Stability and Growth Pact, or all the interpretations placed upon it, were actually conducive to achieving this objective or whether certain modifications or revised interpretations are necessary, that is a step in the right direction, and that, I believe, is what was embarked on at the weekend.

Commissioner Almunia made a very important point about the 3%, which nobody wants to abandon, nor should anyone give up the 60%, but the crucial point is that if we retain this guideline – and our group too knows that it is indispensable – then the Commissioner's statement to this House to the effect that, because conditions differ from one country to another, no one objective can be imposed, and that each country must be enabled, within its own specific limits, to overcome its difficulties in order to get back on track for the goals when it has problems, is also a step in the right direction, for those who want to save the Pact are thereby put in a position to be able to do so. Those who interpret the Pact only in black-and-white terms – and recent developments in some countries show that this happens – and those who say that there can be no alternative to what we conceived fourteen years ago, overlook the dynamic social and economic changes that are taking place. Commissioner Almunia's reference to demographic development shows that we must acknowledge and take into consideration the developments of which we were as yet unaware when we first debated the Stability Pact. That means modifying it, modernising it and adapting it to present circumstances, it means securing it and guaranteeing it as the long-term basis of a stable currency. Commissioner Almunia, you have shown courage, and we, in the Socialist Group in the European Parliament, will back you up as you go down this road.

(Applause from the left)

Klinz (ALDE). – *(DE)* Mr President, ladies and gentlemen, history tells of many attempts at introducing a single currency in countries that were not joined together in a political union. Sooner or later, all of them ended in failure. It was intended that the euro should escape that fate. The Stability and Growth Pact was concluded in order to oblige the members of the eurozone to adhere to standards meant to guarantee the currency's stability. There was meant to be an effective sanctions mechanism to bring those sinners who transgressed these rules promptly back to the path of virtue and thus make the euro credible to the finance markets and in the eyes of the public.

The reality is rather different. For the third time in succession this year, Germany and France have breached the 3% deficit limit. Despite that, the sanctions mechanism has not yet kicked in. The pact risks being revealed to be a paper tiger; confidence in the euro is shattered, and so the Group of the Alliance of Liberals and Democrats for Europe welcomes the promptness and decisiveness with which Commissioner Almunia has come up with proposals for saving the Pact.

We see it as a good thing that the deficit threshold should, in principle, remain at 3%. We think it right that a state's overall indebtedness should be more closely monitored. We accept the need to take account of population change in the Member States and its – largely adverse – effect on budgets. We welcome the observation that Member States have to accumulate surpluses in good times in order to be able to build up reserves for the bad ones, self-evident though that is.

Favourable though our assessment of individual elements is, we are critical of the Commission proposal as a whole. We could exaggerate and say that, as reality is not obeying the rules, the rules are being adapted to fit it. In policy terms, Germany and France have got their way, at least for the time being. For as long as the wrongdoers play a part in deciding whether or not an offence has been committed, it remains uncertain whether the sanctions mechanism will ever become operational. The origin of Germany's difficulties is not to be found in the Stability and Growth Pact; the problems are structural and start at home. No reserves were built up when the going was good; reforms were needed but were not tackled with sufficient determination, and the state's finances were not consolidated. The only things that will help to increase competitiveness and generate sustainable growth are a simple and attractive tax system, deregulated labour markets, and renewal of the social security and education systems.

Our principal criticism of the Commission's proposals has to do with the criteria for assessing whether or not a country is adhering to the Pact, which leave a great deal of room for interpretation of such factors as, for example, adverse economic conditions, particular circumstances resulting in poor long-term growth, and factors specific to individual countries relating to the adjustment of excessive deficits. We find it doubtful that group pressure has any positive effect on the way Member States behave; on the contrary, there will be even more political chumminess of the 'you scratch my back and I'll scratch yours' variety. For that reason, the evaluation criteria must be unambiguous and easy to understand.

We welcome the Commissioner's intention to make Member States' budget policies more transparent and more binding, not least as a result of the publicity that regular reports to the European Parliament and debates on them will attract. Last weekend, Mr Jean-Claude Juncker was elected President of the euro group for the next two years. We hope he will manage to get the Member States to identify more with the Stability and Growth Pact and develop a greater sense of responsibility for it. The euro is a unique success story and must remain stable for Europe's sake and in the public interest.

Lipietz (Verts/ALE). – (FR) Mr President, ladies and gentlemen, the Group of the Greens warmly congratulates the Commission on its plans for reforming the Stability and Growth Pact and is delighted that the Council appears to have given it a warm welcome.

Starting with the Dublin and Amsterdam Councils, the Greens had taken the view that the Pact would, in time of recession, be neither applicable nor applied. That is what has come to pass. The Council imposed no sanction on the big countries when they went over the 3% threshold. Today, they account for 80% of Europe's domestic product, and it is certain that, without this policy, Europe's stagnation in 2003 would have turned into a recession.

At the same time, the United States, China, Japan and even the United Kingdom triggered global recovery by applying a budgetary policy that would have been prohibited in Europe.

There is indeed a need for reform of what President Prodi, two years ago, called 'the stupid Pact'. Of the four recommendations that we made at that time, the Commission accepted three: to push for the restoration of a balanced budget only during periods of growth; to tolerate reasonable deficits during periods when growth is poor; to lay down monetary and budgetary rules as part of the governance of democratically debated broad economic policy guidelines.

We do, to be sure, regret the failure to consider our proposal to remove from the remaining deficits those investments in the areas covered by the Gothenburg and Kyoto targets: economy in energy, shared large-scale transport networks, and renewable energies.

However, we reject the idea that provisions for future expenditure, such as retirement pensions, should be included among debts from now on, for we need to bear in mind that, apart from the ageing process, the disruption of the climate is the most significant debt bequeathed to future generations.

If, though, the Council proceeds now to adopt the Commission's proposals, it will demonstrate that the requirement for unanimity in twenty-five countries does not prevent necessary and intelligent reforms from being adopted. Today, our fellow-citizens need such evidence and we are grateful to you for it.

Wagenknecht (GUE/NGL). – (DE) Ladies and gentlemen, rather than producing stability and growth in Europe, the Stability Pact has resulted in the opposite. Growth rates in most European countries are lower today than in previous years, and what has increased has been poverty, unemployment, McJobs and bankruptcies of small and medium-sized enterprises.

Do you seriously want to tell Europeans that this is what stability means? Nobody wants inflation, yet price stability bought at the cost of employment and quality of life benefits only Europe's rich, and harms the vast majority of Europeans.

It is unfortunate that the Commission's proposals on reform of the Stability Pact do not indicate a change in thinking, but are simply cosmetic corrections aimed at reviving an obsolete concept.

It is obvious that critics who accuse the Commission's proposals of watering down the Pact have simply not realised that the Stability Pact in its original version is beyond saving. After all, there are now six European countries which have been so successful in cutting back that they are now experiencing a crisis, and it is as a result of this, rather than of expansionist spending policies, that they are no longer in a position to comply with the 'stability' criteria.

Use of the Pact as a cudgel to push through cuts in social services and privatisation policies demands that it be more flexibly applied, and this is why we of the Confederal Group of the United European Left/Nordic Green Left reject the Commission's proposals as well as the spirit and letter of the Pact itself. Anyone who has a genuine desire for stability and growth in Europe must abandon neo-liberal dogmas.

Budgetary consolidation cannot be an end in itself. Public investments secure the future and employment. The internal market requires mass purchasing power if it is to thrive, and this cannot be achieved without renewed increases in wages and social spending.

While we are on the subject of deficits, if large European companies were finally forced to pay up by means of a high-level EU-wide harmonisation of corporation tax, and if a new Constitution committed Europe to disarmament, not rearmament, a much more effective step would be taken towards the prevention of escalating government debts than through any aggressive programmes of cuts which only serve to aggravate problems.

We would unreservedly support a Stability Pact for Europe which was genuinely worthy of the name and which committed the Member States to reducing poverty and unemployment instead of to indiscriminate deficit goals, with sanctions imposed on countries that failed to meet them. We are, however, firmly opposed to life-prolonging measures for an instrument which is designed to destroy the European social model.

Whittaker (IND/DEM). – Mr President, it is clear that the larger eurozone governments have no intention of tying their hands by promising to adhere to the 3% deficit limit. One would not expect them to. The Stability Pact is rather like the common fisheries policy: every country has an interest in other countries keeping to the rules but in not being restricted itself.

The fisheries policy is not working very well, nor is the Stability Pact, but – to maintain the pretence – we are now going to have a more flexible pact taking into account economic growth rates and country-specific circumstances. It sounds like a good idea, but in practice all these criteria depend on judgment, as Mr Almunia has just explained. All it will mean in the end is that a country having trouble sticking to the rules of the pact does not have to. A flexible rule ceases to be a rule.

The root of the problem is that there is no credible means of enforcement; there never has been. It was always ridiculous to suppose that a government having trouble paying its bills could be punished by imposing a fine; yet, as the European Central Bank points out, sound fiscal policies are vital for the euro.

There are many examples of what happens to fixed exchange rate regimes when governments do not keep their budgets in order. An EMU is just a sophisticated form of a fixed exchange rate. Argentina is the most recent case of such a collapse. The problem could of course be solved by much greater control of national budgets, but that does not seem very feasible right now. Certainly we in Britain would not like to see Brussels running our Treasury.

Let me end on a positive note. I can only say how thankful I am that Britain has not joined the euro ...

(Cheers from the IND/DEM Group)

... and as the weakness of the Stability Pact becomes more obvious, the chances of us ever joining are becoming more and more remote.

(Applause from the IND/DEM Group)

IN THE CHAIR: MR MAURO

Vice-President

Aylward (UEN). – Mr President, we live in a European Union in which an internal market operates and where there is free movement of goods, persons, services and capital. We have also seen the success of the internal market in terms of net job creation. The success of economic and monetary union has eliminated the possibility of seeing hungry speculators playing one currency off against the other for personal gain, while doing serious economic damage to European countries and to their citizens.

The euro is a strong currency for business and it is succeeding, but we must analyse the rules governing economic coordination. Some EU countries are breaching the Stability and Growth Pact rules and are doing so with impunity. There is a question of economic credibility at play here. We either all comply with the rules or we do not. There cannot be some rules for the larger countries and other rules for smaller countries. This not only impinges on the credibility of our economic rules, but it leads to a broader problem of selling a focused message to the citizens of Europe about the positive work of the European Union itself.

For example, the Commission reprimanded the Irish Government a few years ago about the economic governance of our country, at a time when our economy was growing at 10% per annum. I support economic coordination, but everybody playing in the same pitch must play according to the same economic rules. I support a review of the rules governing the Stability and Growth Pact. Countries with low debt should be allowed to invest in key infrastructural projects of national importance. This is serious business and EU governments must look closely at the different options available to us. Any possible change to these rules must be fair and equal to all participants.

In Europe we have difficulties concerning the operation of the Stability and Growth Pact, but we must work through them with a sense of purpose and determination.

Bobošíková (NI). (CS) Mr President, ladies and gentlemen, I am strongly opposed to some countries not complying with the Stability Pact and to the European Commission allowing any kind of discussion on a possible relaxation of the Pact. I believe that soft budget rules equal higher debts, and I believe that relaxation and non-enforcement of rules equal a loss of credibility for the entire European Union. The only message we are sending out about ourselves is that it is not those who prosper, make a profit and create jobs who are held up as an example in the European Union, but those who live on credit and put off finding a solution to their countries' economic problems.

Let us not hide from the fact that in Europe today a number of Member States are struggling with stagnation, high levels of unemployment and growing debts. I therefore believe that any display of leniency by the European Union would be out of place. In my opinion, the Commission must instead bring greater pressure to bear on the prosperity of individual countries, as well as calling for budgetary restraint, the reduction of debts and the creation of new jobs in these countries, and, above all, ensuring that the rules which the European Union has laid down for itself are complied with.

I would like to point out that it will not be this House, or the spin doctors of individual politicians or individual governments, which pass judgement on the Commission's economic measures, but the global market, and the market is well known for imposing extremely heavy penalties on debtors and those who are unreliable. If the rules are relaxed, I believe that we will see a massive stampede of firms out of the European Union to Asia and Ukraine, or quite simply to regions where taxes are lower, the workforce is cheaper and, it must be admitted, the social state is cheaper.

Neither prosperity, nor more jobs, nor a greater competitiveness of the European Union in the global economy can be achieved by a relaxation of stability and growth. Unless the European Commission realises this and puts the brakes on spending which is not based on economic results, the Stability and Growth Pact will turn into an Instability and Failure Pact. I thank you for your attention.

Thyssen (PPE-DE). – (NL) Mr President, I am surely not the only one who feels a little strange when reading the communications and listening to the declarations that were made a moment ago. Although the intention is, reportedly, to strengthen the Pact, nearly all speakers have referred to its being weakened or relaxed. While

it is apparently not the intention to touch the 3% standard specified in the Treaty, my gut feeling is that it is precisely this budget standard that is proving difficult to deal with. Furthermore, the enforcement of the Pact needs to be stepped up, but there is a great deal of wishful thinking about the greater impact of what is referred to as peer pressure, which certainly did not work for the big countries, and there is little in the way of more power for the Commission or of a decision-making alternative in the Council, which would lead to truly better enforcement. The advantage of the announcement is, though, that it was made now and that an open debate will follow suit, and we have plenty of cause for this. In the Group of the European People's Party (Christian Democrats) and European Democrats, this has already been the topic of an extensive debate, and we want to contribute our might with an open mind, but we will not change our guiding principle. Consequently, we have never said that the Stability and Growth Pact is stupid. On the contrary, we found it to be a valuable instrument, and still do. The fact that more harmonisation is sought with other economic policy instruments, as well as fine-tuning in certain areas, an optimisation of the debt ratio, economic realism, all of these are open to discussion. What is unacceptable to us, however, is that the Stability and Growth Pact should be adapted to please a few governments. The Pact should prompt discipline, it should be a big stick to keep us on the right track. That means that the Pact must be geared to long-term challenges of our social market economy, and should not be thrown off course by short-term sirens.

Désir (PSE). – (FR) Mr President, Commissioner, Mr President-in-Office of the Council, as Mr Schulz has just said, my group fully supports the proposal that Commissioner Almunia has put forward. It breaks the taboo on tampering with the Pact as initially defined and suggests that you be pragmatic in learning the lessons of the first five years of the EMU's operation. This it does in order to usher in a new period in the history of the single currency, which makes it possible, in reality, to combine stability with the prioritisation of growth and employment.

The present framework has not only shown itself to be deficient as an instrument of growth in comparison with the performances of the world's other major currency areas, including those of the EU Member States that remained outside the eurozone; it has also shown itself to be vulnerable in terms of its own credibility, bearing in mind not only the number and the size of the Member States that have broken its rules, but also the uncertainty prompted by the decision of November 2003, which the Court of Justice's ruling in July really did nothing to allay.

So it is that we endorse your proposals, particularly those about taking better account of the link between debt, deficit, economic cycles and countries' specific situations in order to get away from the 'one size fits all' approach; we also endorse the emphasis you place on prevention, on early warnings, on peer pressure, and, finally, on anticipating events rather than simply relying on the sanctions machinery.

My group, however, would insist on two other items, which my colleagues will address, as it seems to us that additional measures are needed. Reform of the Pact must have as its primary objectives growth and employment, an increase in which will contribute to stability – or, to be more precise, will give the eurozone a real basis for stability – and will be achieved by making a link, which is de facto absent at the moment, between reform of the Pact, the Lisbon strategy, coordination and the Member States' economic policy guidelines. Specifically, then, we think that the issue that has to be addressed is that of how to encourage investment in growth and how to take into account, in a nuanced way, those investments that contribute to the Lisbon strategy and to achieving its objectives, namely research, innovation, infrastructures and the major trans-European networks, without forgetting lifelong learning.

Secondly, we also have concerns about the long-term nature of debt and, at the same time, we are concerned to ensure that taking account of ageing does not become a pretext for propelling Member States towards the privatisation of their social security systems, pension schemes in particular. We would prefer this to be clarified and this argument not to be used tomorrow in an attempt the bottom line of which is to reduce social protection and social security that the people of Europe enjoy.

Starkevičiūtė (ALDE). – (LT) While endorsing the views expressed, that the main provisions of the Stability and Growth Pact do not need to be revised and that the means of implementation are clearly defined, I would still like to point out that the Pact's long-term stability depends on economic flexibility, taking into account ordinary citizens' preparedness for change. Now the impression has formed that the main criterion of this Pact is the size of the fiscal deficit, and its sole goal is to ensure the stability of the euro, and all that can only be achieved by carrying out structural reforms, but the purpose of economic decisions is to ensure a growth in citizens' prosperity, allowing them to realise their potential. Unfortunately, in real economics structural reforms mean a reduction in expenditure for social programmes, which make up the largest proportion in the state finance structure. Lithuania's experience of reforms shows that if a favourable environment is not

created for the transfer of capital and labour from less efficient to more productive activities, i.e. a liberal window of new opportunities is not opened for the population or business, social expenditure on structural reforms is very great and the results, due to great opposition, do not match expectations. Thus the Pact's main priority ought to be to stimulate economic dynamism, creativity and a growth in new quality jobs, so that even my sceptically minded colleagues from Britain would not doubt the substantiation of financial and economic stability.

Legendijk (VERTS/ALE). – (NL) Mr President, when President Prodi, two years ago, described the Stability Pact as too inflexible, he was met with sneers. Mr Zalm, you were one of the harshest critics, because anyone who wanted to change the Stability Pact was considered a softie. As was often the case, you took visible delight in tarring all critics with the same brush, because they were all useless. May I ask you something? Is it not the case, though, that what is now acceptable to you, what you read out a moment ago, very much resembles what those self-same critics of the Stability Pact stated two years ago? Two examples: my group has always argued for more attention being paid to the public debt and somewhat less attention to the annual budget shortage. We have always said that there are situations conceivable in respect of which a Member State should not be penalised for exceeding the 3%, for example in the case of slow growth over a long period of time. Finally, I applaud the fact that the Council and Commission now appear to be willing to be more flexible in their interpretation of the Stability Pact. Mr Zalm, I would urge you, though, to display the same level of honesty and flexibility, and refrain from saying that you will be clarifying and improving the statute. Instead, I would prefer you to say that you are finally taking the constructive criticism of the Green and Left Members of this House seriously and are therefore updating the Pact. Mr Zalm, there comes a time for everyone when they have to admit that they are wrong. This is the time for you to do so.

Toussas (GUE/NGL). – (EL) Mr President, ladies and gentlemen, despite the fact that a number of Member States are now openly violating the criteria of the Stability Pact, thereby serving the short-term economic interests of the monopolies, the European Union insists that it be maintained, even underlining the need for it to be applied more rigorously in order to step up pressure for new anti-grass roots measures to be taken.

The proposed amendments, in conjunction with the 3% deficit and 60% public borrowing criteria, make the Stability Pact even more reactionary, the aim being to implement the Lisbon anti-grass roots strategy more quickly, with a coordinated increase in taxation on the workers being promoted in order to generate financial surpluses. They put national budgets under greater control, in order to strengthen the competitiveness of the European monopolies by reducing taxation and granting new privileges to big business. They place particular emphasis on public borrowing, in order to persuade the pension systems to make immediate changes, they further commercialise care, they reduce social spending and they promote quicker capitalist restructurings, in order to reduce the cost of labour and increase the profits of big business.

The proposed revision confirms that the only way to combat the Stability Pact and the anti-grass roots policy of the European Union in general is insubordination and disobedience on the part of the workers and by stepping up the working-class struggle.

Lundgren (IND/DEM). (SV) Mr President, in modern economies, the budget balance operates as an automatic stabiliser of the real economy. Stability in the real economy and, thus, employment therefore presuppose instability in the budget balance. The Stability and Growth Pact was, therefore, in essence badly thought out. By placing the emphasis on stability within the public finances, it contributed to instability in employment.

The Commission's reform plan is therefore a step in the right direction, but it gives cause for concern. This step is being taken because large and powerful countries failed to meet the demands made in the Stability and Growth Pact. Intellectual arguments and political will to stabilise employment were not enough. It does not bode well for continued cooperation within the EU that power is more important than intellectual arguments. It was therefore right, and important, to demand that large countries too follow the applicable rules even when these appear less appropriate.

The problems are now diminishing for countries with high structural budget deficits such as France and Germany, but increasing for countries with high public debts such as Italy, Greece and Belgium.

Karas (PPE-DE). – (DE) Mr President, ladies and gentlemen, the Stability and Growth Pact is a success. Twelve countries belong to the eurozone, and the Pact lays down the rules for membership in it. It is the basis for public debate on the link between budgetary discipline, inflation, price stability, growth and employment, for the debate on structural problems in Europe and for the debate on the Commission's role with regard to the Member States' economic policies.

The Pact must not be used as an excuse for personal failures and omissions; it is a mandate for action by the Member States and the Commission. The European Court of Justice has strengthened the Commission's position and, in doing so, the Pact. The new Constitution has strengthened the Pact and the European Central Bank by including price stability as an objective in the Constitution.

We will not change the ground rules, which is precisely what those who believe that flexibility means relaxation do. Those who, like Mr Eichel, wish to muzzle the Bundesbank, fail to recognise the role played by an independent issuing bank and the importance of transparency for trust, reliability and credibility. I support the Council's position and the ECB President, Mr Trichet, in the comments he has made. We need clear rules that apply to everyone and successful implementation. We have no problem with the Pact; what we have is an implementation deficit.

This is why I am also in favour of a debate on the ways in which we can boost the significance of total debt, establish criteria for accumulating much-needed budget surpluses during times of economic prosperity, incorporate the consequences of demographic change and conduct a public debate on the difference between structural debt and investment debt.

We also need a debate on the Commission's powers to implement the Pact. Anyone who incurs debt for debt's sake is selling off the future. We want the European public to have confidence in the rules we set for ourselves, and we want the public to be sure that everyone in Europe is equal before the law and is treated fairly.

Van den Burg (PSE). – (NL) Mr President, I should like to join in congratulating Mr Almunia, who has made a valiant attempt to breathe new life into the stranded Growth and Stability Pact. I should also like to congratulate, and thank, Mr Zalm, Chairman of the Ecofin Council, for the fact that, indeed, he has not remained stuck in the past, and like Mr Lagendijk, I would not like to be the one to resolve past issues either. What I do hope, though, is that he does not only act out of self-interest and on the basis of tactical considerations, but that, in terms of substance, he is now also convinced that it is important economically speaking to place more emphasis on the growth element of the Pact. I would also like to note that my group very much appreciates the fact that you have indicated a wish to continue the debate with our Committee on Economic and Monetary Affairs. I think it is important for us in the European Parliament to be involved in this too.

As far as content is concerned, clearly, my group is positive about the direction that the Commission document is taking. We have always called for a better balance to be struck between the objectives for growth and stability. We would like to put a stop to the conflict of, on the one hand, ambitious Lisbon objectives and, on the other hand, budget standards that have been set too low over a longer recession period in order to be able to invest in renewed economic growth. It is absurd that, for example, in Portugal, expenditure for research and development and education is being cut rather than increased and that Greece is being punished – another example of a country exceeding its budget – in connection with those splendid Olympic Games which we all thoroughly enjoyed. Even in my own country, I can give the example of the discussion with local governments about the way in which they are permitted to fund investments out of the reserves. That would be positive for growth if it were not for the fact that they would be faced with an investment ban if the budget shortage of 3% were exceeded, which is absurd at this stage. My group therefore supports a Growth Pact that is formulated more precisely. I should like to bring you two elements at this stage.

First of all, I am keen to hear your views about the golden rule. As you know, in the United Kingdom, of all places, a country outside the eurozone, a very strong appeal is being made to draw the distinction between current budget spending and investment spending. Your objection had always been that those boundaries cannot be clearly marked. My appeal would not be to leave this also to the resourcefulness of the national finance ministers individually, but, in fact, to find out whether we cannot extract common standards from the Lisbon objectives, the broad economic guidelines, and hopefully soon also the opinion of Wim Kok's high-level group. My argument is that we would then be able to transform those many fine commitments of Lisbon and of subsequent summits into real investment and growth plans.

Secondly, I would propose to implement this in multi-annual plans complying with the deadline of 2010 or later. What do you think of the idea of writing off that growth and those growth investments over several years, so that they are not included in the 3% standard on an annual basis?

I would like to hear from you whether you are prepared to conduct discussions of this kind in the Ecofin Council, and I hope that, in doing so, we can get the pact back on its two feet, which it needs, namely stability and growth.

Letta, Enrico (ALDE). – (IT) Mr President, Commissioner, Minister, ladies and gentlemen, of the Prodi Commission's final initiatives, the proposed reform of the Stability and Growth Pact is one of the most significant acts at a time of uncertainty in the European Union's economy.

The decisions made in recent years have ensured stability and kept inflation under control, but growth has remained low and there are no binding rules for implementing the Lisbon objectives. Growth in Europe must be raised in qualitative terms back to rates of at least 3%. Reform of the Pact may be one of the means by which we can get out of the slowdown. The Commission's proposal, presented here by Mr Almunia, is a good starting point but needs to be improved. The Member States must turn this debate into a really thorough discussion, like the one that accompanied Maastricht.

The discussion should be structured around three key points. First, the future Pact should be 'Lisbonised', giving greater weight to all those criteria connected with structural reforms, innovation and investment in research and development. The proposals concerning the golden rule should be restored, but with the constraint that investments beyond the 3% should be set up and managed at Community level and should not deteriorate into a mere market for the interests of the various countries, as Mr Klinz has just said. Secondly, with regard to debt, the trend needs to be the decisive criterion, not the amount. Thirdly, clarification is needed regarding the credibility that the Commission wants the Pact to have, since the Pact was thrown into a serious crisis by the Ecofin decision in November and by the final text of the Constitution on the balance of power between Ecofin and the Commission, which favours the national governments more than the Convention's text did.

In conclusion, I must point out that, if no solution is found to the political problem of the credibility of the Pact and of the Member States' commitment to abide by it, then the whole point at issue is likely to be merely academic.

Papadimoulis (GUE/NGL). – (EL) Mr President, the changes being promoted by the European Commission in the Stability Pact do not affect its neo-liberal philosophy. They serve the particular requirements – let us face it – of the French and German governments and they will place a particular burden on countries such as Greece with high public borrowing, borrowing which will increase as a result of the exorbitantly expensive Olympic Games and high defence spending. These changes to the Pact do not address the crucial problems of low growth rates, high unemployment or huge social and regional inequalities, problems which have blighted the progress of the European Union over recent years.

The Confederal Group of the United European Left – Nordic Green Left, at the opposite end of the spectrum to criticism by European bankers mouthing their absolute neo-liberal doctrine, is demanding radical reform of the Stability Pact. We demand a European pact on employment, growth and social cohesion which will introduce social criteria with quantifiable and verifiable indicators and will make provision for penalties and sanctions for the countries which infringe them, such as countries which maintain high unemployment.

Blokland (IND/DEM). – (NL) Mr President, it is almost two years ago that President Prodi described the Stability and Growth Pact as stupid. In those two years, the debate has continued to rage and culminated in the Commission proposals which were discussed during the last Ecofin Council in Scheveningen.

In my opinion, the Commission proposals offer a basis for continuing to shape the discussion about the Stability and Growth Pact, and the implementation of the Pact continues to benefit from clear and transparent decision-making. There is still a need for unambiguous sanctions. The discussion that is now being held should not harm the Pact's implementation or trust in the euro.

At the time, it was said in the debate that more account should be taken of economic trends, thus enabling the surpluses saved up from prosperous years to be used in lean years. I should like to hear from Mr Zalm whether this suggestion has been taken on board and whether that might well prove to be the key to an acceptable new Pact.

I should also like to ask whether the Council could shed more light on the tasks and responsibilities of Ecofin's next chairman, Mr Juncker.

Radwan (PPE-DE). – (DE) Mr President, ladies and gentlemen, Commissioner, two or three years ago your predecessor, fellow countryman and party colleague, Mr Solbes, spoke before this House and responded to Mr Prodi's comments, which have been quoted a number of times today already. The Pact is sufficiently flexible and does not need to be changed. The question we must therefore now ask ourselves is why, two

years later, there is a sudden demand for change – one that may appear different, but comes from the same family of parties.

The way I see it, it is to your credit that you are undertaking a final rescue bid for the Pact, because what has become apparent is quite simply that the finance ministers, in particular the German and French finance ministers, may create European legislation, but do not abide by it. I remember how Mr Zalm, the Finance Minister, addressed our committee and, amongst other things, called for everyone to be treated equally. I would like to stress this point; everyone must be treated equally, and the law applies to everyone. I also welcome the fact that you do not wish to amend the Treaties and that there will be no change to the figures of 3% and 60%.

You spoke of flexibility, and indeed there are good economic reasons for flexibility. I would, however, like to make it quite clear that these reasons must be specified. In this instance flexibility appears to be a license for anyone with a few national peculiarities to ask to have these taken into account, and the Commission hands them what they want on a plate. The Commission must make improvements in this respect and elaborate on the relevant details.

What I find particularly regrettable is that even the Commission is not addressing the problems relating to the Pact, and you need to have a better procedure for dealing with them. If you tell governments that they must make savings and reduce debt when better times arrive, I do not believe that they will suddenly do so merely because the Commission tells them to, but because they want to make good on their election promises when the income situation improves. This, then, is where the Commission's role must be strengthened vis-à-vis the Council on this issue. The members of the Group of the European People's Party (Christian Democrats) in this House support you, and I hope that at least some of the finance ministers do too.

Let me conclude with one final comment; the Stability and Growth Pact should not be blamed already for the likely potential failure of the Lisbon Strategy, which is the fault of national governments. That would amount to myth making, which should not be allowed under any circumstances.

(Applause)

Berès (PSE). – *(FR)* Mr President, Mr President-in-Office of the Council, Commissioner, I warmly congratulate you. Those who do not treat the Stability and Growth Pact as a fetish have been waiting for this moment for a long time. A taboo has been broken; we can talk about the Stability and Growth Pact, and can even talk about reforming it. Commissioner, you really do have my warmest congratulations, because the Finance and Economy Ministers have said that they regard your communication as a good basis on which to work. It seems to me, then, that we have taken a major step forward. No doubt you have been aided by the French and German situations, and by the ruling of the Court of Justice, but the step has been taken, so let us make good use of it and of the space that it has opened up to us.

This is an opportunity to be seized, primarily to put things back in order, and so I cannot go along with Mr Radwan's assessment. This is not a matter of ascertaining whether the Lisbon strategy has failed or whether the Pact needs to be saved. What is at issue is how we use the Pact to make the Lisbon strategy succeed, and, looking at it from that angle, it strikes me that we must and can make more of an effort to keep track of expenditure. By this I mean the expenditure that contributes to the implementation of the whole Lisbon strategy; I do not think of competitiveness as being the alpha and omega of the Lisbon strategy. The Lisbon strategy will succeed if it is founded upon a strategy aiming at full employment and sustainable development on the basis of research and knowledge.

Commissioner, I turn now to a point that you raise in your communication, but which appears to me to be no more than lightweight and needing more work to be done on it, namely the link between coordination and the Stability and Growth Pact. You know better than I do that this coordination exercise has been, up to now, a purely academic one. The thing that makes it possible for it to become a ground rule and to define the quality of policy, does not work. The result is that all we have is a Stability and Growth Pact that, like a balance sheet, enables us to observe how things happened, without being able to determine the dynamics of it or the collective choice.

That brings me to my last point, the only thing that involves this House: the issue of the democratic debate on your proposals, on the implementation and coordination of the Stability Pact. Here there is much to be done. You make reference to this House at one point in your communication, but it would appear that this is almost a formality and that, at the end of the day, debate is, in essence, reserved for a very select and very definitely closed club consisting of the euro group speaking through the Ecofin Council. This wall has to be

broken down. The debate must break out of this enclosure, for if it does not, economic policies, which are, in the final analysis, a matter for the collective choice of societies for the good of their peoples, will not be placed in the public arena. If this House, and the committee I chair, can contribute to this, I think we will have done a good job of work together. I wish you good luck!

(Applause)

Riis-Jørgensen (ALDE). – (DA) Mr President, I cannot say congratulations to the Commissioner, but I have three questions.

Why are you in such a rush, Commissioner, to devise new rules? Why do you not follow your predecessor, Mr Solbes, who thought that the Stability and Growth Pact was perfectly alright. I think we must wait until the new Commission begins. It is the Commission that is to administer and oversee these rules. We also have Mr Zalm back in his seat as the Netherlands' representative, so that we might again hear his normally tough position on this issue, which I of course love. So let us wait a little.

Why is the time not being used to discuss the Commission's role in the Stability and Growth Pact: the issue of whether a warning can be given without the finance ministers having to approve it, as well as the issue of its having been possible to contrive for those countries that act contrary to the Stability and Growth Pact generally to have voting rights in the Council?

I should also like to ask the chairman of the Socialist Group in the European Parliament, who has unfortunately left his seat, why someone does not get hold of Mr Schroeder and tell him that he should observe the rules? A flexible Stability and Growth Pact will not, of course, help him.

Mr Schroeder has the problem of not keeping to the Stability and Growth Pact, and flexible rules will not help him, so make sure now that he is made to follow the rules. What Germany needs are major structural reforms.

Figueiredo (GUE/NGL). – (PT) Mr President, the Commission has finally acknowledged that the different economic and social realities of the various countries calls into question the rationale behind nominative criteria in applying the Stability and Growth Pact.

This justifies, albeit belatedly, the criticisms that we have made from the very outset. We have criticised the 3% public deficit limit and warned of its social and economic impact. We can only regret, however, that these proposals have come to light only after successive years of non-compliance by France and Germany, and are really little more than a cosmetic exercise that lets France and Germany off the hook.

We know how the Stability and Growth Pact has served to justify withdrawing public investment, particularly in the social areas for which the State is responsible, thereby encouraging further privatisation. We all know that the consequences of a slow-down, of stagnation and in some countries, such as Portugal, of economic recession are rising unemployment and social exclusion. What we are saying, therefore, is that we urgently need to revoke the Stability and Growth Pact and to undertake a root and branch review of economic and monetary orientations in the EU. In order to safeguard economic and social development, it should be replaced by a pact that genuinely helps to create jobs and to foster social progress, a pact that prioritises social economic cohesion, jobs and social inclusion.

Evans, Jonathan (PPE-DE). – Mr President, I am well aware that I represent a nation that is not a member of the European Monetary Union and I represent a party which is opposed to future membership of the euro. I am not going to apologise for that because I believe the British economy is better off outside the eurozone, and our significantly higher growth rate compared to the average eurozone country bears this out. However, as my party leader, Michael Howard, noted in a recent speech in Berlin, we believe that different combinations of Member States should have the possibility of pooling their responsibilities in different areas of their own choosing. Thus we wish our colleagues in the eurozone well.

I am all for the principle that governments should avoid excessive budget deficits, especially when an economy is growing strongly and unemployment is low. It should have been simple for us to have kept our spending within the limits required of members of the European Union, since all of us – not just members of the euro – are supposed to abide by these guidelines. When Britain exceeded the 3% budget deficit ceiling, it escaped the censure of the Commission because it is not in the eurozone.

The people of other European nations were not so lucky: the Dutch and the Portuguese have had to rein in their public spending in a tight effort to comply with the pact at a time when they have been hit by recession.

However, far from being congratulated they were kicked in the teeth by the governments of France and Germany using their muscle to bend the rules and escape the fines which, if imposed, might have given them the incentive to be the team players that they sometimes urge us to be. It is difficult to overstate the damage this has caused. The euro is an ambitious project. All such projects require the injection of a vast amount of political capital. Strong currencies require credible leadership, which is lacking in this case. Ever since the euro was introduced, the very authors of the rules are the least prepared to abide by them.

The new guidelines announced last week pay lip-service to the need for clear and effective rules. They are in essence a surrender to political might. Many have suggested that the eventual success of the euro will be measured in the long run by whether Britain, Sweden and Denmark decide to join. I am not going to look into the crystal ball, but I have to say that the most recent moves by the guardians of the currency have done nothing to encourage those of us who are cautious and wary to sign up.

Goebbels (PSE). – (FR) Mr President, a Community with a shared destiny, such as this Europe of ours, cannot function unless freely accepted rules are complied with.

This was the essence of the Court of Justice's message on the case relating to the Stability and Growth Pact. The Court's ruling confirmed that the Member States have discretionary power at their disposal and that they have no obligation to follow the Commission; the Court also helpfully supported the Commission's sole right of initiative. The Commission recently took an initiative aimed at altering the existing rules. We must welcome this political act by the Prodi Commission and must thank Commissioner Almunia.

Socialists advocate a policy of stability and of fighting inflation, yet stability without growth leads to a sacrifice of future expenditure and to an austerity policy, on account of which the poorest sections of the public will be the first to suffer. Even though the two pillars of the Pact, the famous 3% and 60%, are not based on pure science, the aims must not be changed. The individual situation in each of the twenty-five Member States varies markedly. According to the evidence, a State with a debt of around 60% of its GDP has more room for manoeuvre than a State saddled with a public debt of over 100%.

Socialists would like to give Member States a margin of flexibility in the event of an economic downturn, so that they can pursue a structural policy of regeneration, even if that means – and on this point I agree with Mr Radwan – imposing tighter budgetary discipline during times of strong growth.

We must, above all, assess the quality of public spending. We must choose between consumer spending and expenditure for the future. Borrowing must be restricted solely to productive investment. This is based on a premise of better economic governance at EU level and of more thorough coordination of economic policy. Whilst one must welcome the fact that the Eurogroup has a permanent chairman in the shape of Mr Junker, it nonetheless remains the case that a chairman simply presides over meetings and does not make decisions. For the Stability Pact to become a Growth Pact too, coercive measures must be implemented in the area of national budgetary practice.

The ECB has reacted negatively towards the Commission's proposals. I am grateful to Mr Zalm for responding somewhat frostily to what was said by the European Central Bank. The ECB's independence is, and will remain, set in stone by the Treaty. Whilst the responsibility for monetary policy lies solely with the Central Bank, the responsibility for economic policy lies solely with the Member States. European economic policy must be coordinated by political power, not against the ECB, but independently of a world view that is limited solely to monetary considerations.

Maaten (ALDE). – (NL) Mr President, the Court of Justice's ruling of 13 July was a positive development in the battle of the Stability and Growth Pact. It was a clear signal from an independent body, which decided in the European Commission's favour with regard to its approach towards Member States exceeding the 3% standard structurally.

Now, however, the self-same Commission, albeit with a new Commissioner, is tabling a proposal for reforming the Stability and Growth Pact, the ambiguity of which will make it particularly welcome in the auditors' offices of those governments that do not play by the rules.

The Commission has a more intelligent application of the Pact in mind, but I wonder which definition of intelligence it is using, for since when has it been intelligent to reward infringements? Let us not make things more complicated than they already are. The Pact's strength lies in its simplicity. Two large Member States are now seeking a solution for their economic situation in difficult times, at the expense of the Pact, and are all too pleased to take an advance on the future.

How can we be certain, though, that in a new system, those Member States, France and Germany, will continue to observe the agreements and above all, as Mr Klinz commented earlier, will carry out the necessary economic reforms? I totally agree with the Chairman of Ecofin that a review of the Pact could, of course, prove useful. However, whilst in the past I was a fervent advocate of a much stronger role of the Commission in enforcing the Pact, the new Commissioner will have a job persuading me that the Pact is in good hands with him. It is just as well that the Council, under the Dutch Presidency, has at least demonstrated its responsibility.

Toubon (PPE-DE). – (FR) Mr President, Mr Zalm, Commissioner, ladies and gentlemen, the French contingent in our Group feels that the Stability and Growth Pact is one of the pillars of the European economy and currency. We want it to be implemented in practice, so that we can keep control of public spending, combat excessive deficit and ensure sound management of Member States' public finances. This is precisely why we support the Commission's proposal and why we are pleased with the Council of Ministers' positive reaction.

Taking on board what has been learnt from experience, the Commission's proposal consists, purely and simply, of making the rules of the Pact fully and intelligently enforceable, without changing the two main criteria: deficit percentage and debt percentage. The communication of 3 September builds on principles of which we approve: enabling the Commission to issue early warnings, placing the emphasis on the level of debt, establishing budget surpluses during times of economic growth to allow room for manoeuvre in times of economic slowdown – the squirrel strategy – being responsive to exceptional circumstances – a concept that the Council of Ministers should incorporate thoroughly – and, finally, coordinating the main objectives of economic policy with the decisions made in national parliaments. This proposal therefore places greater importance on economic developments and makes strenuous efforts to avoid the risks to which dogmatism is in danger of exposing business and jobs. If France can make a major contribution to growth in Europe this year, for example, it is clearly because the Pact has not been applied to it like a hatchet.

We also welcome the appointment of a permanent chairman of the Eurogroup in the shape of Mr Juncker, which is a step in the right direction. In the future, budgetary policy will make a greater contribution to growth and will, accordingly, play a decisive role in achieving the Lisbon objectives, which determine the prospects for competitiveness and prosperity in the EU.

Barón Crespo (PSE). – (ES) Mr President, I am speaking in support of the Commission's Communication entitled 'Strengthening economic governance and clarifying the implementation of the Stability and Growth Pact'.

It is important to return to economic governance because what we are seeing now stems from the Treaty of Maastricht, when Economic and Monetary Union was decided upon: Monetary Union was defined and realised, Economic Union less so. And the Stability Pact, which is now ten years old, was conceived on the basis of a degree of mistrust towards certain countries which appeared incapable of passing the exam.

The European Union's capacity for creation demonstrates that those who were the exam candidates are now the most virtuous and, curiously, those who demanded virtue are the ones who have sinned most. So this gives us hope in terms of European integration.

Since then, we have introduced the euro, we have decided upon the Lisbon strategy, we have drawn up a Constitution – I would like to point out that all the representatives of the governments went to the Convention's working group to oppose the implementation of economic governance.

We are therefore obliged to review and update the Stability and Growth Pact, because in many respects it does not work – particularly in relation to growth – and because we have had to go to the Court of Justice to get certain States to apply it.

I believe that this is what justifies both the Commission's actions – which we clearly support – and the positive reaction of the Council, because, just as the European Central Bank has to be monetarist, the Council has to concern itself with the functioning of the economy.

Hoppenstedt (PPE-DE). – (DE) Mr President, ladies and gentlemen, strengthening economic governance and clarifying the implementation of the Stability and Growth Pact are important matters, not only in order to refocus attention on the Pact's underlying ethos and to strengthen the foundation which lends stability to the monetary union, but also in order to avoid undermining the trust which the public placed in us in 1997 during the discussion on the introduction of the euro, a discussion which took place both in this House and elsewhere. The Stability and Growth Pact is a requirement for justice and sustainability. It must therefore

remain in existence, and its direction and application must be preserved and strengthened in accordance with the spirit of the Treaty of Maastricht and the European Constitutional Treaty.

The Stability Pact illustrates the simple economic and fundamental truth that today's debts always end up being tomorrow's taxes, to be borne by future generations. The Pact therefore rightly calls for an end to state indebtedness and for a budget that is balanced across the economic cycle. Under the Pact's rules, as has already been noted, temporary deficits can and may be tolerated during economic upturns, but during the next economic upturn these new debts must then be cleared again.

Against this background, the Commission communication rightly poses the question of long-term viability, and calls for better links between the essential features of economic policy and the Stability and Growth Pact. A critical view should however be taken with regard to an issue which is given much space in the communication, namely that of placing greater emphasis on the Commission's recommendations on economic development. The Commission communication contains a total of five key proposals; due to a lack of time I can only evaluate one of them, the improved coordination and implementation of budgetary policy. The closer links between the Commission's recommendations on the essential features of economic policy and the Stability and Growth Pact are to be welcomed, and have meant that the Commission has been able to stimulate competition among systems in the Europe of 25 and to make a major contribution to moving closer to the goals set in Lisbon.

We should therefore lend our unreserved support to these renewed proposals for increased transparency and accountability in the Member States' budgetary policies, and it must be especially in the interests of all participants in the monetary union to support the credibility of the Stability and Growth Pact by means of transparent data.

Bullmann (PSE). – (DE) Mr President, ladies and gentlemen, the primary task of the European Union's financial policy must be to provide a sound basis for the economy. It must be stable and predictable, but must never become ideological.

I am quite astonished to hear it said in this House that confidence in the euro has been shaken. Where have you found even one piece of economic evidence to support such a statement? The truth is quite the opposite; the businesses with which I am in contact are more concerned at the strength of the euro against the US dollar and at the fact that we are experiencing low economic growth. The people with whom I am in contact are concerned at the high rates of unemployment in the European Union.

I am sure that Mr Almunia will have the opportunity to discuss confidence in the euro and the international view of the euro in his answer, and we can in any case continue the discussion in this House. Mr Poettering, it was with great interest that I discovered how broad a discussion is being conducted on this issue within your group. This discussion is a fascinating one, and apparently this is also the case within the Group of the European People's Party (Christian Democrats).

Our proposal is this: let us be reasonable and avoid ideology, and let us support the Commission's ideas, which are capable of making the Pact more effective and of turning a stability procedure into a Stability and Growth Pact. It is high time for us to tackle this task.

Brunetta (PPE-DE). – (IT) Mr President, Commissioner Almunia, ladies and gentlemen, every day in our debates we say that for Europe to be competitive in the world economy it needs more economic growth, more concrete and materials-based infrastructure, and more reforms. Every day we say we must implement the Lisbon Agenda, but the results are there for all to see.

The current Stability and Growth Pact, as structured, cannot provide a solution either for growth, or for the infrastructure gap or for the call for reforms. It is just a poor surrogate for a common economic and growth policy which does not exist. It was wanted by the strong countries because they did not trust the weak ones, but in the end it was the strong countries who were the first not to abide by it.

Something, therefore, is not working, and we have to be honest and admit it. As we all know, the three strategic objectives of growth, infrastructure and reforms can be synthesised by policy makers in a formula that economic theory calls the golden rule, which allows for intergenerational investment spending to be financed through deficit and at the same time requires current spending to be financed without generating a budget deficit.

Until now, European bureaucracies and governments have said no to the introduction of the golden rule for fear of opportunistic behaviour by the Member States. Such fears are correct, but Europe cannot be built on

fears. To prevent national opportunism if the golden rule is implemented, it is important that there should be clear European objectives and clear European rules, as well as equally clear financing with *ex-ante* checks on its appropriateness and *ex-post* checks on the outcome, without leaving any room for accountancy tricks or bullying tactics, which have been used all too often in the recent past, even by countries considered to be hard-liners. Why not try out the golden rule? If the golden rule is not included in the Pact reforms, the ECB will be right in saying that it is better to give up and leave the Pact as it is, stupid and open to being bypassed at will by the strong, but also useless if not damaging, given that the timid interpretative corrections, sponsored by various parties, regarding the flexibility of medium-term deficits as well as the sustainability of debts are of little use.

Mr Almunia, I wish you all the best in your work and urge you to be as courageous as necessary at such a difficult time for the integration of this Europe of ours. Do not listen to the hordes of self-interested sirens in disguise that are likely to permanently sink not only the credibility of the Pact but along with it the credibility of Europe as a whole.

Bersani (PSE). – (IT) Mr President, ladies and gentlemen, I should like to point out to the Members of the Group of the European People's Party (Christian Democrats) and European Democrats – but evidently not to Mr Brunetta, who has rather different ideas on the matter – that the Stability and Growth Pact is not being changed to make it less strict. That would be a mistake. The Pact should be changed because it has started to contradict itself. Its mechanisms balance if the nominal growth of the economy comes to around 5%. Our potential growth in Europe is consistently below that figure, and so the Pact does not hold. If it is left like that, debt will rise as a result.

The Commission's proposals are sound. They can be enhanced and strengthened in relation to Lisbon and in relation to the strengthening of European integration, which means avoiding the risk of policies breaking down at national level. If, for instance, precise mechanisms are identified to make the Pact fully and automatically cyclical, to support European investment programmes or to give set flexibility margins to countries that approach the Lisbon reforms structurally, all that would not mean making the rules less strict but making them more effective and directed towards growth and integration.

Lastly, it is fair to look more carefully at debt, not the amount of debt but its dynamics. In fact, for mathematical reasons, under equal conditions of growth and deficit reduction, a larger debt falls more rapidly, and so it is appropriate as well as fair to punish not the accumulated errors of the past but, if anything, the laxity in remedying them.

President. – The President-in-Office of the Council has informed us that he has to leave our debate for unavoidable reasons.

We shall therefore proceed as follows: I shall give the floor to Minister Zalm of the Council, who will give an account of the impressions and content that he has gathered from the debate, and then we shall return to the debate, which will conclude with the speech by Commissioner Almunia.

Zalm, Council. I am very grateful that you have given me the opportunity to say a few words now. I apologise for leaving earlier but the problem is that I am not only President-in-Office of the Council and Netherlands Minister of Finance, I am also replacing the Prime Minister at the moment because he is in hospital. I have many obligations to fulfil.

After listening to all the statements it is clear that there is a wide variety of opinion in Parliament. I am not surprised by that. Maybe we can reach some consensus here. As President-in-Office of the Council I must be very careful in expressing my views because I have not had an opportunity to check whether all my 24 colleagues agree with my answers to some of the remarks made. Let me pick out a few themes.

First of all, as asked by various speakers, why did we have problems with the Pact? The basic mistake in the past has been that we did not make use of the good times for consolidation. I believe that both Mr Poettering and Mr Klinz said a few words in that regard. My colleagues in France and Germany also concluded that if they had been in surplus or in balance before the downswing started, they would not have breached the 3% limit and all these troubles would not have arisen.

I think that is an important consensus. Those who now criticise the Pact for its rigidity are probably not the same people who advocated more rigid consolidation in the good times. Perhaps they felt that the good times were so nice that we could spend even more than the governments planned. That is my experience, at least.

We must be consistent during the entire cycle. If we consolidate firmly in good times then we can be more relaxed when the economic cycle takes a downturn. Stabilisation over the entire cycle – that is one of the lessons learned.

I hope, as I am sure you do, that we are now at the start of the upward part of the cycle. If we use that time well, the inevitable downturn will not, once again, lead us to the problems that we have previously encountered. We do not need any change to the text of the Pact in that regard.

As has been remarked by some speakers, the Stability and Growth Pact is not a solution to everything. We also have the Lisbon process. I do not believe that there has to be tension between the Stability Pact and the Lisbon process. Mr Schulz spoke of this tension. Personally, I do not believe that low deficits, the fact that the deficits were not high enough, are the real problem in relation to the lack of growth in Europe. We have to look at the necessary reforms and also set the right priorities in our budgets, so that we really spend the money within a budgetary framework and on the issues that are important for the Lisbon process.

I must point out that if we were more relaxed on deficits, interest payments would gradually crowd out other expenditure, such as expenditure on R&D and education, which we all want. In the medium and long term, higher deficits are certainly not a solution for any Lisbon objective. They may even conflict with the Lisbon objectives.

A few of you were a bit afraid of an ad hoc approach, that we would not apply equal treatment to all the countries based on clear criteria. We discussed that in the Council and stated that we need a rules-based system for the future.

There were some questions about the golden rule. As such, the golden rule is a pro-cyclical system. It was used in the 19th century in many countries. I do not think it would be good for economics today.

Other questions were asked about the role of Mr Juncker. He will be President of the Euro Group. There are some advantages to having a longer-term president, who will also be its face *vis-a-vis* the outside world, for example in the G-7. If people see a new minister of finance come from the Euro Group every six months, it will not make a very strong impression. Such a president also organises and plans for a longer period than just six months.

I hope that in the coming weeks and months we can work further on this issue. As I said, the Commission proposals are a good basis for discussion. They will probably not be accepted lock, stock and barrel, but I do not think the Commission ever expected that. We already have some basis for consensus in the paper I presented to you today. I hope that we will get full consensus on an operational Pact that is really implemented.

García-Margallo y Marfil (PPE-DE). – (ES) Mr President, Commissioner Almunia has interpreted Shakespeare brilliantly. As in Mark Anthony's funeral speech, he sings the praises of budgetary austerity but, at the same time, tells us that he has put in place the necessary explosives to bring down the pillars supporting it.

The Commissioner advocates simple rules but, at the same time, he tells us that we must take account of the national circumstances of each country, which means there will be 25 different rules.

What we were saying yesterday about the Stability Pact is still true today. It is absolutely true that we must maintain the austerity pact in order to maintain price stability; that budgetary austerity serves to free up resources for education, research and development in order to make the Lisbon process possible; and, above all, that it is necessary to meet the implicit, hidden, unbudgeted-for obligations resulting from the ageing of the population.

What we were saying yesterday is still true today. And if we are saying other things, that is simply because we are treating the Stability Pact as done for. The Stability Pact was good, the bad thing was that it was not complied with.

Secondly, Commissioner, all of those who have always been in the Stability Pact are the ones who are today applauding your measures and all of us who have always been in favour of the Stability Pact are the ones who are against the Commission's proposal for making it flexible, unequal and discretionary.

Thirdly, Commissioner, the applause of the governments is not disinterested applause. The Stability Pact is not a pact in favour of the governments, it is a pact against governments, for restricting their action, in order not to neutralise the actions of the Central Bank and in order to maintain price stability.

And if it is a pact against the governments and in favour of the citizens – and in this regard I agree with what the chairperson of the committee has said – you will have the support of my group in enhancing the powers of the Commission, against the Council, and the powers of Parliament, as representative of the citizens, to defend that budgetary stability, which will provide the citizens with lower prices, lower interest rates for their mortgages and will help to guarantee that we will have resources in the future to attend to the needs of our pensioners and that we will not have squandered those resources by paying interest and paying off debt.

The PPE-DE Group will support the Commissioner in this debate. But if the intention is to draw up rules that make the application of the Pact discretionary, unequal and ultimately unfair, in accordance with the *'pacta sunt servanda'* principle, the Commissioner will not have our support.

Becsey (PPE-DE). – (HU) It is in the interests of Hungary, and presumably in the interests of the newly-acceded countries, that the euro should remain strong and become attractive for the population since, we too have to step into this zone and it will be extremely useful for us too.

I support the fact that, in the interests of the euro's prestige, there should be strict framework rules for the Member States and this is why I do not agree with the weakening of the Stability Pact, or in an extreme case, its abolition. I also agree that the Commission had examined the experiences of previous years and, in the area of implementation, it foresaw more flexibility which must, however, strengthen the willingness to observe strict framework conditions. I also agree with the Commission's approach that several views must be considered when revising the Pact, such as supportable state debt, protracted slow growth, harmonisation and co-ordination of economic and budgetary policies. One must be careful however, that for the unity of the requirements system an equal judgment must prevail. I see that as a very important criterion.

As for myself, I believe that it would be very complicated to work out a country-specific conditions system. Instead, one ought to concentrate on the individual characteristics of the economic situation and incorporate this into the whole system. Apart from such a characteristic as excessive indebtedness, there could be other aspects to consider such as the excessive openness and vulnerability of small countries, but, above all, the consideration of the principle according to which one of the most important aims of the Union is cohesion, that is, the joining up of less developed countries and regions that are lagging behind.

This is particularly pertinent to the ten out of the twenty-five Member States, the newly-acceded states where, apart from ensuring conditions of growth, one must pay attention, when assessing the observance of the criteria, to certain reforms in public spending, such as for example the reform of the pensions system, the need for a quota of higher investment and the appearance of an occasional higher rate of inflation. But these of course, in these circumstances, are economic phenomena.

Samaras (PPE-DE). – (EL) Mr President, ladies and gentlemen, I could perhaps accept that the Stability Pact has been useful. However, it needs amending, because it has not always been applied correctly or fairly. In some countries, the Commission has exhausted its strictness, and in others the Council has exhausted its leniency.

I agree that we must take account not only of the actual but also of the structural deficit, by overlooking short-term cyclical fluctuations in GDP. Had we done so, Germany would not have had a problem in either 2002 or 2003, or even this year, while France would have had a problem in 2002 and 2003, but not this year. A source of friction would have thus been eradicated.

I also agree that we should not overlook borrowing, but this means that we need to use the primary structural deficit; in other words, we need to subtract amortisation costs. I also agree that we need to examine the extent to which a country has exorbitant expenditure for which it alone is not responsible, as with Greece and the extraordinary spending on the Olympic Games.

Finally, I want a pact which will achieve stability in the eurozone, not unequal treatment of Member States, a pact with a long-term strategy, not knee-jerk reactions, which safeguards the Lisbon objectives without sending the economies into a vicious circle of recession.

If we are to achieve all this, we need to clearly amend the Stability Pact, the Regulation itself, not merely hope that it will be applied better in the future.

Hökmark (PPE-DE). (SV) Mr President, I should like to begin by making one point: let us look to what is really important in the European economy, namely that we now have low inflation and low interest rates throughout the European economy. It is easy to look back to the Seventies and see how matters were then, for at that time we had high inflation, high unemployment and governments that added to their budget

deficits. Thanks to the Stability and Growth Pact, we have a common code and a common criterion that has counteracted these factors.

The paradox is that we are now having this debate partly because the Stability and Growth Pact has operated as it was supposed to do. It has put political pressure on those countries that increase their deficits and, for that reason, it is of interest to us all, irrespective of whether or not we have the euro or of whether or not we participate in monetary union.

The basic problem in the European economy, affecting the image of the Stability and Growth Pact, is that too many countries have inflexible economies that are incapable of handling the deficit situation when times are hard. In this context, I want to say that there is a direct link between the Stability and Growth Pact and the Lisbon process because we either develop flexibility in the Member States' national economies, providing dynamism and growth, or have a more flexible interpretation of the rules, but we do not solve Europe's problems by introducing other rules.

I therefore wish to appeal to the Commission to be objective and clear, no matter what form the criteria take. The solution does not lie in change but in reform of the European economy.

Roithová (PPE-DE). (CS) Mr President, ladies and gentlemen, allow me to share with you my concerns as an MEP from a new Member State. Especially before accession, we saw the Stability Pact as a powerful and comprehensible symbol of Europe's stability, and this was not because of its name, but thanks to its contents. It was the symbolic custodian of a healthy economy and of reliable rules and justice, for everyone and without exception.

I say 'was', because today this is no longer the case. It is a symbol which needs rehabilitating. Budgetary discipline is a political risk today for governments which have embarked on public finance reform, and yet it is of crucial importance for the stability of the entire European Union. Flexible interpretations and relativisation of the Pact are a stab in the back for these courageous governments. It is not flexible interpretations of the rules which citizens and businesses expect, but a flexible EU trade policy.

I would like to draw the Commission's attention to the threat posed to the EU's internal market by the dishonest trading practices of third countries. These mean that it is important for the Commission to open negotiations with the WTO on import quotas, in particular with regard to imports from China, which disregards the social and environmental regulations of our market. A threat to three million jobs in the textile industry and women's unemployment are at stake, which means a threat to employment stability as of January of next year. A flexible trade policy and reliable rules are conducive to stability.

I welcome the Commission's efforts to increase the transparency of rules, I believe that it will open negotiations with the WTO, and I am keeping my fingers crossed for it.

Lulling (PPE-DE). – (FR) Mr President, it is imperative for me in this debate to set out clearly the issues at stake, and to highlight what is necessary and realistic.

We start from a most regrettable situation. Non-compliance with the Pact on the part of a growing number of Member States is clearly a serious breach of good budgetary behaviour. I am not unaware of the effects of the economic situation, yet I have noticed that the Member States that have had the courage to avoid slipping into extravagant spending show indicators that are perfectly in line with the legislative provisions. The good behaviour of some is unfortunately suffering from the backsliding of others.

Having said that, let us not fall into the traps either of blind devotion or of dogmatism. The future ex-President of the Commission, moreover, did not hide his feelings on the Pact, using extremely undiplomatic language. I find the guidelines set out by the Commission interesting because they could lead to a less simplistic understanding of Member States' public finances. Therein, however, lie further difficulties: how can we reconcile an understanding of the complex and unique situations of each Member State with maintaining rules that are clear, understandable and applicable across the board? I wish all the best to those who will have to undertake the task, including my compatriot, the future President of the Council and the future 'Mr Euro', who is well known for unravelling the most complex problems.

Lastly, the crisis that we are enduring is highly symptomatic of the way in which the EU operates. Nobody would deny that the EU is a community governed by the rule of law, yet it is clear that the power to exert force over the Member States quickly comes up against its limits. Overall, the dilemma is a tough one: rather than witness the slow death of the Stability and Growth Pact, I would prefer to see its regeneration, given

that its demise would also have incalculable repercussions for the euro and that I still set some store by the value of the currency and of the money in my wallet.

Krasts (UEN). – (LV) Proposals for the reform of the Stability and Growth Pact would be worth discussing, even though the proposed amendments to the Pact would require careful evaluation. However, in my view, in the current situation a revision of the Pact should not be contemplated, because certain states chronically fail to observe the existing criteria and a growing number of states may well fail to observe them in the future. Nor does the inadequate penalty regime serve to encourage the maintenance of budgetary and fiscal discipline.

The proposed reforms give a dangerous signal to market forces about inability to control the situation even in the long term. That is why I cannot support the proposed reforms, especially those relating to anchoring the budget deficit level and the different deadlines allowed to Member States for eliminating excessive deficit.

Budgetary and fiscal policy are particularly sensitive areas of political responsibility. Any exceptions in these areas will inevitably tend to be never-ending. Of concern is the proposal for an extended period of weak economic growth, which would in effect offer a limitless time for those politicians who are unable or do not want to undertake structural reforms in their countries. A relaxation of the rules will not motivate politicians to undertake unpopular reforms.

Similarly, the proposal for country-specific adjustment paths for correction of excessive budget deficits is of special concern. These specific adjustment paths for various countries may prove to be not simply specific but also significantly different, because transparency in these matters is hard to ensure. That would lead to a loss of confidence in the Pact as a whole.

IN THE CHAIR: MR BORRELL FONTELLES

President

Almunia, Commission. (ES) Mr President, I would firstly like to thank all the honourable Members who have contributed to this debate, sometimes with support, sometimes with critical support and sometimes simply with criticism.

All these contributions will be extremely useful for me as I carry out my future duties as Commissioner responsible, insofar as it falls to me, for carrying out this adaptation and improvement of the Stability and Growth Pact and of economic governance in general, and they seem to me extremely useful in terms of communicating arguments and objectives on such an important issue as the economy of the Member States of the Union and of the European Union as a whole from Parliament to the public.

I would like to say once again – I have done so in my initial speech and it has been said in several of your speeches, but I want to repeat it in this final speech – that the Treaty is not in question, nor what the Treaty says about public finances and about budgetary stability. The limit of 3% of GDP for the public deficits of the Member States of the Economic and Monetary Union and the limit of 60%, in relation to GDP, for public debt remain in force. The countries that are not complying with these limits are obliged to do so.

They do not remain in force for no good reason, but because one of the objectives of the Economic and Monetary Union must continue to be budgetary stability as a *sine qua non* condition for the effectiveness of the extremely important political decision we took when launching the Economic and Monetary Union and, in particular, the creation of the single currency. And it is still necessary to preserve the objective of budgetary stability and those reference values by means of the system of rules – as has been said on many occasions during the debate.

But we must also be aware that the ultimate objective of the Economic and Monetary Union, of the budgetary stability of economic policies, is to guarantee more growth and well-being for some of our citizens. And some of you have expressed the opinion that the debate on the reform of the pact could even in some way affect the stability of our currency, the euro. I do not believe that is the case if the debate is held within the limits we have set for it as in the Council last weekend and as in this debate today in Parliament.

What has been discussed is the fact that the eurozone and the European Union as a whole are growing less than other areas of the world. We have more stability, thanks to the decisions we have taken within the framework of the Economic and Monetary Union, but we have less growth. And that is a response we must find not only through the instrument of the Stability and Growth Pact, but also by rereading it, revising it and adapting it, introducing more economic rationality into it, taking account of the heterogeneous nature of the European Union of 25 following enlargement, taking account of the fact that the Treaty also talks

about the need to preserve the sustainability of public finances and not just of preserving and ensuring budgetary balance in each financial year, by monitoring public deficit, and bearing in mind that, over the years the Stability and Growth Pact has been applied, its credibility has suffered because the rules in force have not always been adopted and applied by the institution which must ultimately do so, which is the Council.

We must therefore strengthen the pact, the framework for budgetary surveillance and our instruments for economic governance. And how must we do this? With more flexibility or more rigour? With both things.

In certain respects, we must be more flexible, because experience shows us that the room for manoeuvre, which a reasonable interpretation of the rules we decided upon allows us, is not sufficient to take account of very powerful arguments arising from economic rationality, from the specific situation of the economy of the country at a particular time. And in other respects we must be more rigorous, such as in our surveillance of the evolution of levels of public debt or in the mechanisms for application of the Pact for example, both in the preventive part and in the corrective part of the Pact, in the excessive deficit mechanism. We must take account of the economic cycle, preserve equality of treatment for each and every country – and this is a task the Commission identifies itself with in particular – and ensure better compliance. And we must link the Pact better with the other instruments of economic governance – as many speakers have said this afternoon – the Lisbon Agenda and the economic growth objectives in order to make the European Union's Economic and Monetary Union the most competitive area in the world and, at the same time, the most socially cohesive and the most sustainable from an environmental point of view.

Does this require a debate? The Commission believes this is obvious. Should this debate take place within a certain limits? Of course, and that is established in the Commission's Communication. Must we seek agreement and the greatest possible degree of consensus in our dialogue and cooperation with the Council? I believe this is absolutely essential.

The debate – and the President-in-Office of the Council, Mr Zalm, has said this as well – must lead us, and I trust that it will lead us, in November, on the second analysis by Ecofin of the adaptation and improvement of the Stability and Growth Pact, to a level of agreement and consensus between the Member States, at Council level, and between the Council and the Commission, which is even greater than the very considerable level of agreement demonstrated last weekend.

Changes to the rules will be necessary, as few as possible. In any event, the touchstone of the discussion must not be whether or not an article, an item or a paragraph of a regulation should be changed. The touchstone will be whether the reason why it has become necessary to change that regulation has been agreed, is reasonable and is in accordance with our objectives of budgetary stability, of maintaining a framework for fiscal and economic governance and of that framework preserving the stability and growth of the European Economic and Monetary Union.

Finally, Mr President, a comment on the issue often mentioned in many speeches from France and Germany. The judgment of the Court of Justice of 13 July basically considered the European Commission to be right. The Council was not entitled to act as it did last November. We must now apply the Treaty, as interpreted by the Court of Justice. The Council has no choice but to respect the Commission's right to initiative. The Commission is the guardian of the Treaties and must therefore ensure compliance with the rules of the Treaties and their implementation by means of the Stability and Growth Pact in force and we are committed to doing this and we are going to act on the basis of the judgement of the Court of Justice.

What action are we going to take? We are following the development of the public finances of many Member States very closely, but in particular that of France and Germany during 2004, and the budgets that each of the two governments are beginning to draw up and which they will communicate for discussion to their parliaments in the coming months, before the end of the year.

At the end of October, when we will know the content of the budgetary policies formally announced by the two governments and while we await the final decision of their respective parliaments, the Commission will publish its estimate and economic forecasts and we will estimate how public debt in France and Germany may develop in 2004 – we could practically give an accurate estimate now, but I would prefer to wait until October – and our estimate for 2005.

On the basis of the Commission's economic forecasts and with the precise information we will have in the weeks following the publication of those assessments of the real and concrete content of the budgetary policies agreed by both of those countries for 2005, the Commission, employing its right to initiative and

carrying out its duty fully, will tell the Council what its proposal is. The Council will have to take the appropriate decisions, of course, in a climate of cooperation, but naturally with the greatest respect for the principles and rules laid down in the Treaties and in the regulations in force in the field of budgetary stability.

President. Thank you very much, Commissioner.

The debate is closed.

WRITTEN STATEMENT (RULE 142)

Wortmann-Kool (PPE-DE). – (NL) Mr President, with the Commission proposal, we are out of the frying pan and into the fire: more flexibility but without clear-cut criteria. In my view, the core of the Pact should remain intact, namely maximum 3% of GDP for budget shortage and 60% of GDP for public debt. If the Pact is to become more flexible, this should be done on the basis of objective and general criteria. This is where the proposal leaves a great deal to be desired.

The Commission should have more powerful means at its disposal to force Member States to adhere to the terms of the Pact. At the moment, the Council has too many fingers in the pie, which leads to a politicisation of the Stability Pact. The sanction mechanism in the present Stability Pact did not appear to be rock-hard or neutral: large Member States, on the basis of their position of power, were able to violate the rules and get away with it.

Although the present Pact does not conclusively specify that in times of economic prosperity its members have to work on building up a surplus, that is essential if the Stability Pact is to be successful. The creation of such a buffer, for example, with a view to an increase in the ageing population, is indispensable.

It is therefore to be welcomed that the Commission underlines the importance of such a buffer in the revised Pact. At the same time, with the 3% limit, in principle, the Pact offers Member States enough leeway to invigorate their economy in times of economic decline.

7. Ratification of the Constitutional Treaty

President. The next item is the debate on the following oral questions

- to the Council:

B6-0008/2004 by Mr Leinen, on behalf of the Committee on Constitutional Affairs, to the Council, on the ratification procedures for the Treaty establishing a Constitution for Europe;

- to the Commission:

B6-0009/2004 by Mr Leinen, on behalf of the Committee on Constitutional Affairs, to the Commission, on the communication strategy concerning the Treaty establishing a Constitution for Europe.

Leinen (PSE). – (DE) Mr President, Mr President-in-Office of the Council, Commissioner, ladies and gentlemen, the European Constitution has successfully overcome its first two hurdles in the shape of the Convention and the Intergovernmental Conference. Over the next two years we now face a third hurdle, which could prove to be the most complex and demanding for this historic project – its ratification by the EU's 25 Member States. We must recognise that work will by no means be completed with the ceremonial signing of the Constitution on the Capitol in Rome on 29 October. On the contrary, work must go on, and everyone must bring this project to a close with the same energy, vigour and discipline.

I am aware, and our committee is aware, that there is a risk that the European spirit, which was very much present in the Convention, but which became less and less so, without disappearing entirely, in the Intergovernmental Conference, will be lost in the national debates and domestic political battles of coming months and of the next two years. It is already noticeable that a populist and opportunist movement is being organised against the European Constitution, and it is a cause for concern that this germ has already infected one of the originators of the European idea, as is evident from the debates over recent weeks in France. The fact that a populist and opportunist movement is turning against the Constitution should give us pause for thought, even when the reasons have little to do with this project.

We must not allow the power games and power struggles of domestic politics to water down or even destroy this historic project, and everyone who has fought for the Constitution in the past years and decades must rise up in opposition to this.

Parliament, the Commission and the Council were active participants in the Convention and the Intergovernmental Conference, and I believe that the three European institutions also bear a particular responsibility in this ratification stage, as we must be advocates of the compromise that has been reached. It is therefore unacceptable for individual articles to be extracted from the overall compromise and used as a pretext for rejecting the entire Constitution, and this must not happen. An overall compromise has been reached, and we must see the wood and not just the trees, to put it metaphorically.

It is also the task of the European institutions to explain the fundamental goals and content of the Constitution to the European Union's 450 million citizens, and to provide them with information on this issue. We would therefore like to ask the Commission and the Council whether a communication strategy exists, and whether suitable activities aimed at informing the European people about the project are in preparation. This House would also like to ask the Council whether a strategy exists for coordinating ratification in the 25 Member States. We are well aware that ratification will take place in accordance with the national law of each Member State, and it is also clear that some countries will require more time than others. It would however be entirely wrong if no attempt at coordination were made, especially when this has already taken place in the ten accession countries with regard to ratification of the Accession Treaty, and with visible success.

The Commission, the Council and Parliament may not now sit back and content themselves with watching from the sidelines. On the contrary, and as I said before, the same vigour and ambition must continue to guide us over the next two years in order to ensure that this project clears the final hurdles. The 2004 Constitution must not suffer the same fate as the 1984 and 1994 drafts, which went straight into the archives and never made it off the printed page and into reality. This 2004 Constitution must become a reality, as only then can progress result in increased democracy, transparency and efficiency in the European Union and hence for the people of Europe. This is our goal, and this is what we must work towards.

Nicolai, Council. – (NL) Mr President, thank you very much, I shall try to be brief. I have another opportunity later on, in reaction to other comments on this subject, but it is a hugely important topic. First of all, I should like to say that Mr Leinen's words are very much my own sentiments, especially when he points at the enormous importance, after the steps we have now taken and will be taking on 29 October when we will be signing the Treaty, of carrying on with the same fervour, because we are not there yet. Mr Leinen is absolutely right in saying this, and a very important next step is to be taken in connection with the ratification and the referendums which will be held in a number of countries.

I am also in total agreement with him that this responsibility is shared between Parliament, the Commission and the Council. To date, our three institutions have managed to achieve that, and we will indeed need to continue in the same manner at the next stage.

I am pleased that he himself indicated that there is, of course, a national responsibility where legislation, the implementation, the organisation of the ratification and also of possible referendums are concerned, and that this does not fall within the remit of Brussels. We will at any rate ensure, though, as we have also discussed, that information about this ratification process is collected. The Council's Secretariat will be collating this information and compiling a rolling document, so that new information with regard to the planning and organisation of the ratifications and possible referendums can be processed in this document at any time.

This will be a permanent concern for us in the Council and will also be discussed during the European Council. I can tell you that we have also agreed that this will also be routinely on the agenda of the European Affairs Ministers who usually meet at least during each General Affairs Council for an informal lunch. It follows that from this position, we will be able to keep a finger on the pulse over the next few months.

The European Council has drawn attention to the problem in a wider sense than simply the ratification and the general involvement of the public, partly further to the low turnout at the most recent European Parliament elections. We the presidency, and particularly the European Affairs Ministers, will make sure that we can table concrete proposals that will be discussed at the European Council of 5 November. We will set to this task in Amsterdam on 5 October, and will discuss, as already stated, both communications in a more general sense and also specifically the best ways of taking account of the ratification procedures in the different Member States and of the harmonisation that is required for this purpose. That means, in any case, exchanging information and learning from each other's experiences in this procedure. Where harmonisation in time is possible, that should be done, but once again, that is a national responsibility. We will also ensure, and this

will probably be handled centrally, that all citizens can have access to a text of the Treaty. On this score too, scope will need to be provided, though, for all possible information-related campaigns and activities to be handled at national level. I think that the signal which the new Commission has sent out, also by appointing the first Vice-President with specific responsibility for communication, is an important step, and further attention is also being paid from those quarters to communication. Perhaps I can finish off with Mr Leinen's remark about the anxiety level, which may be rising here and there nationally with regard to public opinion. It is precisely that too that makes it so important for national governments to be able to choose the right way and have enough scope to give their own interpretation to the entire ratification process and possible referendums. Rest assured that we in the presidency, and in the Council, are very aware of our responsibilities and will make every effort to ensure that this whole procedure will have a successful outcome.

Barrot, Commission. (FR) Thank you Mr President. I should also like to thank Mr Leinen for enabling us to hold this debate on a very important issue. We are, in fact, convinced that the European Constitution will help us to build a Europe that is democratic, more transparent, more efficient and placed at the service of Europeans.

It is true, however, that, to make this institutional construction succeed, we need the combined consent and participation of the public. The Commission therefore deems it essential that this Constitutional Treaty should be extensively presented and explained to the public. Let me say at this point that I am answering on behalf of my colleague Mr Vitorino, who asked me to convey his apologies, but I should like to make it clear that, alongside Mr Vitorino, I have followed recent Council debates on the draft Constitution, on behalf of my colleague Mr Barnier.

I shall therefore respond briefly, Mr President, in accordance with your wishes, whilst trying to be as accurate as possible. I should first like nonetheless to point out, Mr Nikolai – and I shall just greet Mr Leinen as he goes by – the important share of responsibility that falls to national governments that are signatories of the Treaty. I feel that each government is best placed to develop the most suitable approach on a country-by-country basis, depending on the particular sensitivities, and the political and social context peculiar to the country concerned.

That being the case, we in the Commission naturally intend to offer our complete support to this effort, and it is against this backdrop that, from as early as July, Mr Prodi, the President of Parliament and the Chairman of the Committee of the Regions, along with Mr Vidal-Quadras and Mr Vitorino, have been appealing to all European, national, regional and local parliamentarians to contribute to this debate. It is also in this context that we launched the campaign entitled 'A thousand debates for Europe'. This is a target that we should like to reach and even exceed. May I call on each of you to promote these debates and contribute to them? I naturally call on the Members of the Commission to do likewise.

I should also like to announce what has been done within the scope of the PRINCE actions, the European citizens' information programme. Here, too, the Commission, in conjunction with Parliament, has endeavoured to make it easier to produce explanatory notes to present and explain the text adopted and the process that was followed in order to prepare it.

With the 2004 credits, we have begun updating brochures for the general public and multilingual guides to the Constitution. More than ten million copies of these brochures and guides will be published. I believe we will therefore have a volume of information never previously achieved.

We have made arrangements to have a video produced, which will be distributed from 29 October, together with information panels intended for all our intermediaries and networks, as well as for the national and regional public services that will be using them.

Next, the Commission has endeavoured to arrange seminars for journalists: we hope to reach at least five hundred journalists, who will come to Brussels to familiarise themselves with the Constitution and talk with forums comprising MEPs attending the Convention and representatives of civil society.

Lastly, Parliament and the Commission, along with the Council, may decide to hold another version of the 'Springtime of Europe' initiative, which had reached numerous young people; schools are asked to arrange information meetings on their premises.

Mr Leinen, there is therefore a wide range of tools being put in place. I should therefore like to say that the Commission is not in favour of launching an overall, wide-ranging, pan-European campaign on the Constitution. That would be potentially counterproductive, because such an initiative might be perceived as a supranational propaganda exercise. Let us not forget, as I said earlier, that ratifying a Treaty is a

constitutional process and that in each Member State, therefore, there is a need to sense what is appropriate and to determine the ways in which the Commission is to intervene by means of European public funds. All of this requires a tailor-made approach, hence the need for dialogue between our three institutions: Parliament, the Council and the Commission.

Next, turning to Mr Nikolai, I should like to thank him and the Dutch Presidency for arranging the informal meeting of competent ministers, taking place on 5 October, precisely to look into how this major information campaign can be organised. Mr Leinen, I am certain, as you are, that factual and objective information will be able to dispel a lot of the misunderstandings. Consequently, following the meeting on 5 October, we must be in a position to envisage what can be done in each of the Member States. It is on that basis that the Commission will support the efforts undertaken to this end.

I also clearly noticed your concern, which I share, that this informal meeting should be able to specify timetables and to see who is in the best position to address each national situation. All of this will, of course, demonstrate clearly what might be the best use of budgetary investment earmarked for these actions.

This is my answer on the Commission's behalf. We want to set up a programme and an information plan following up this meeting organised by the Dutch Presidency with the specific aim of adopting a practical, concerted approach and of setting up realistic action programmes that cater to our countries' specific needs. Please allow me, Mr President, on behalf of the Commission, to thank Parliament for having, by organising this debate, already stressed the importance of this information which, once again, we want to be objective but which, above all, we want to be as complete as possible and as accessible as possible to the greatest number of people.

Méndez de Vigo (PPE-DE). – (ES) Mr President, I am pleased to see you chairing this plenary sitting because it has a very important significance: that the President of the European Parliament stands by his word and that the ratification of the Constitutional Treaty is this Parliament's political priority.

I also believe, therefore, that this oral question from the Committee on Constitutional Affairs comes at a good time and – Jo Leinen said this very appropriately – it appeared that we had finished our work by approving the Constitutional Treaty. It appeared that the issue of ratification was now something which fell to the national authorities, to the Parliaments, to the peoples. I do not believe this, I believe that it falls to all of us and also to the institutions of the Union.

I was very pleased, Mr Nicolai, to hear you say that the Ministers are going to deal with this issue. You have signed the Constitutional Treaty and, therefore, you, like us, have an interest in seeing it ratified as soon as possible.

Nevertheless, Commissioner Barrot's speech worried me because, apart from the leaflets and the video, I heard that the Commission believes it would be harmful to carry out an information campaign at European level. How can it be harmful? What is the Commission's view of the Constitutional Treaty? If it believes it represents progress, a step forward for the European citizens, it should say so, as Parliament will do. We are currently producing a report which will be approved on 15 December. If that report is in favour of the Constitutional Treaty, this Parliament must not remain neutral, but must campaign in favour of it.

I therefore believe, Mr Barrot, that the Commission must consider what it is going to do on this issue. I believe it is very important to send a clear political signal of where we are, because the European Constitution is very important for the future of Europe and, therefore, all of us – the institutions of the Union and the Member States – must stand together in order to win this battle as well.

Corbett (PSE). – Mr President, 25 Member States are about to sign and then embark on their ratification procedures. These procedures are national. They are matters for national and internal debate. Does that mean that there is no legitimate interest in members from other countries participating in those national debates?

With all due caution, it is legitimate to draw attention within each Member State to the fact that their national decision on ratification has implications for everyone else in Europe as well. It is not insignificant that 25 elected governments of our Member States have all come to the conclusion that this new Constitution is the best way forward for the European Union. It will not be insignificant either if our Parliament endorses that Constitution in December by an overwhelming majority.

It is right to draw this to the attention of people. It is right to try and Europeanise the debate in that way. Some have suggested having national referendums all on the same day. That we know is virtually impossible, but some Member States may wish to coordinate their referendums within a certain time period. That is up

to them. It would make the debate more European. But the most important thing we can do is coordinate our information work.

I welcome the fact that the Council is meeting to discuss that. It is necessary if only to avoid contradictions, with the Commission saying one thing, the Council saying another, the Parliament saying something else. We must focus on getting the facts across because the facts speak for themselves. This debate is myth against reality. All we need to do is provide factual information and I am confident we will win the battle of ratification.

Duff (ALDE). – Mr President, to some extent I feel that the wonderful camel of the Constitution has now approached the eye of the needle. It can, of course, be squeezed through, but it can only be squeezed through if all Members of the European Council accept that they have a collective and individual responsibility to campaign for it to be brought into force. For several national leaders, this means that they will be obliged, for the first time, to campaign on European questions. Coordination of the plot, getting the story right, seems to me to be extremely important.

Secondly, the European Council must avoid a scramble to be at the end of the list – *la fuite en avant*. There should be a cluster approach to ratification with the keener, more assured integrationists going first, rather than forming a nervous queue. Public opinion will query why our national leaders are frightened of their own shadow on Europe and fearful of putting the argument for the Constitution in a positive and trenchant way that embraces the European dimension. This is a chance for our leadership to grow the European polity.

To the Commission I would say that public relations exercises are all fine. One should ask why the Commission, at this sensitive moment, has seen fit to cut the budget in half, but what we really need is a political Commission, a campaigning Commission that will complement the role of the European Council to bring real leadership to the European citizen.

Voggenhuber (Verts/ALE). – (DE) Mr President, Mr President-in-Office of the Council, Commissioner, I am extremely surprised at your position on this issue. During the debates of the coming months on the ratification of a European Constitution, who else should act as an advocate of this Constitution, and as a guardian of the broad consensus achieved in the European Convention and of the concept of European integration, if not the European institutions, and if not this House? Yet the institutions present a curious sight, which reminds me of children who lose their ball while playing, and who watch spellbound as the ball bounces onto the road and under the wheels of cars to see if the ball will somehow appear again undamaged on the other side of the road.

We cannot allow this Constitution to become a pawn in what are purely national and nationalist debates, and we cannot leave it to the mercy of domestic political grudges and calculations. I would have expected the Commission to ensure that this does not happen.

What action is the Commission taking? There is no longer even a portfolio for the Constitution in the incoming Commission, or a Commissioner responsible for it. There were two Commissioners responsible for the Constitution in the outgoing Commission, yet there is no longer even one at this decisive stage of the debate on it. What action is the Commission taking? It is quartering the budgetary appropriations for communication and for campaigns to inform the public about the European Constitution. If you wish to relinquish your responsibility for the Constitution, and if you wish to be an engine of European integration and the Treaties, but not an advocate of the development of European integration, you should continue on your current course of action.

You have an extremely important historical decision to take; do you wish, together with this House and the Council, to prevent the Constitution becoming a pawn to nationalism, renationalisation in Europe and chauvinism? Take a look at your own country, where members of the Convention have now come out in opposition to the Constitution. Has it not become clear to you that a great deal of courage is required to defend together this common project for a common future?

(Applause)

Kaufmann (GUE/NGL). – (DE) Mr President, I am very pleased that referendums on the Constitution are to be held in an increasing number of Member States, and I hope that the Government of my own country will open the way for such a referendum as quickly as possible. Every effort must, however, be made in this connection in order to ensure that Europe, and, more specifically, the text of the Constitution, are actually debated. Mr Leinen and Mr Voggenhuber are entirely correct to say that we must face the risk of the Constitution becoming a pawn in domestic political or intra-party intrigues.

There can be no doubt that one of the main problems in the various public discussions which have been initiated is a lack of detailed knowledge on the contents of the Constitution, and in some cases a fair amount of nonsense is being talked already. More action therefore needs to be taken to provide targeted information, and this is a point that I would like to make to the Commission. Maybe for once it should not just be the facts which are conveyed to the public, but also the difficulty of the debate, the pros and cons of individual arguments, tax policy, and so on. Many examples can be given of debates that have already taken place in this context.

My final observation, Mr President, I would like to address to Mr Nicolai. I noted with interest that the Council is considering arranging ratification at a similar time in all Member States. Perhaps a date should be set for May of next year? Such a date would be of high symbolic value, as it will be the 60th anniversary of the end of the Second World War. The aim would be to set an example for peace and stability in our continent and for greater integration, and this would be a viable way of doing so.

Wierzejski (IND/DEM). (PL) Mr President, both my party, the League of Polish Families, and my political group, the Independence and Democracy Group, always have been and always will be opposed to the creation of a constitution for the whole of Europe. It is appropriate for an issue of such significance for the future of our nations to be the subject of a broad and fair public debate and referendums in all 25 Member States, without exception. The funds made available in the EU budget for informing citizens about the constitution should be split fairly between supporters and opponents of the Treaty, however.

As to the proposal by the Committee on Constitutional Affairs that the Treaty should be ratified between 5 and 8 May in all Member States, as some kind of reminder of the end of the Second World War, it should be regarded as a dismal historical joke. Europe's times of strength have been when it existed free from domination by any country, and when cooperation between free nations was not hampered by supranational bureaucracy and structures.

Our position is clear. We will always oppose the building of a federalist Europe with a constitution that takes precedence over the laws of sovereign nations.

Crowley (UEN). – At a time like this, it is always very difficult to know what balance should be struck between looking for support for a Constitution and looking for fairer debate, but the two ideas are not mutually exclusive. In fact, further and fuller debate should be welcomed by all sides, because it would allow us to get rid of some of the misconceptions with regard to what aspects of the Treaty we would be voting on in our countries, or debating in our national parliaments.

It is also only right that we as a European Parliament, as the directly-elected representatives of the European people, should be seen to give leadership in relation to the way the discussions and the debate should take place in the Member States. Let us not forget that, first and foremost, our most important role as Members of the European Parliament is as public representatives of the people. We are here not to hold on to one ideological viewpoint, but to give what we consider to be a fair, honest and truthful account of what is contained within the text of the Treaty.

Therefore, I can go along with what was proposed in the Committee on Constitutional Affairs, to ensure that this kind of debate can take place; to ensure that some of the lies that were told in the past about what was in the Treaty are refuted; and to ensure that those rightful concerns that people have with regard to the future of Europe are given an opportunity to be aired within a public debate.

I would urge all Members to support this resolution.

Mölzer (NI). – (DE) Mr President, a few days ago the Committee on Constitutional Affairs discussed the allocation of large amounts of EU money to institutions whose job it is to inform the European public about the Constitutional Treaty. Yet one cannot help thinking that this is not intended to be an objective discussion on the draft Constitution, but rather an extremely biased one, and what might even be called propaganda.

In view of the fact that to date the European public has known relatively little about the content of the Constitutional Treaty, an overly biased campaign promoting the Constitution would have a negative impact on EU citizens, who would feel that they had once again been presented with *faits accomplis*. This would mean a further increase in the euroscepticism recently highlighted by the low turnouts in the European elections, and we will therefore need to find the courage to allow a controversial discussion on the Constitutional Treaty to take place. We will also have to acknowledge the Treaty's shortcomings and deficits, or else citizens

will not truly accept this Constitution for Europe. Domestic referendums on a national scale and the attendant debates are in no way connected with chauvinism or nationalism, but are merely part and parcel of democracy.

Lamassoure (PPE-DE). – (FR) Mr President, I am one of those who, within the Convention, were, along with you, the first to campaign for the future Constitution to be submitted for ratification by the people, and, if possible, on the same day. I am delighted to note that the decision to hold referendums is catching on. The problem with a referendum, however, is that while it is the most democratic process, it is also, by its nature, the most likely to be used for the wrong objective. In all the countries concerned, there is a risk that the European referendum will turn into a national plebiscite.

Furthermore, given that the danger and the aim are identical everywhere, our governments have every interest in adopting a joint ratification strategy. Such a strategy must, to my mind, comprise at least three elements. Firstly, the question put to the public and the explanatory notes relating to it should be presented jointly. Secondly, there should be a timetable. In this respect, the best solution would be, as certain Members of this House have already stated, to hold referendums on the same date in all countries concerned. Thirdly, and I feel that this point is of particular importance, the issue of the final borders of the European Union must be set out clearly.

This is a debate that neither Parliament, nor the Council, nor the Commission have thus far had the courage to hold. It is, furthermore, impossible to put the creation of a political Europe before the public without specifying what we mean by the word 'Europe' and without fixing the borders or at least the criteria for defining the borders. In several countries, including mine, the notion of belonging to a political Union without borders – the future composition of which would be left entirely to the good will of the governments of tomorrow – would be rejected by the vast majority. The Council must be aware of this when it comes to making its decision on Turkey.

Carnero González (PSE). – (ES) Mr President, I too am glad that you are here, though I am naturally not surprised, because we in this House are lucky enough to be headed by somebody who in the Convention, as a member of that Convention, worked courageously to achieve the very Constitution whose ratification by the people we are trying to achieve.

The process of creating a Constitution is only complete when those whose sovereignty is at stake, in this case the people – the European citizens – give their final word on the text – in this case, the Constitutional text – which is submitted to them for consideration.

Nevertheless, we are seeing a truly worrying phenomenon: only those who are against the European Constitution are expressing themselves clearly, those who have doubts, those who are trying to use this process for party-political or opportunist purposes.

The governments in the Convention, the parliamentarians, restricted ourselves to saying that this Constitution is good and that it should therefore be supported. Well, now we must explain this Constitution, we must state what is positive about it and that, without it, we would be heading for the paralysis represented by the Treaty of Nice. We must do that from a European point of view.

Mr President, we must Europeanise the debate on the Constitution, we must Europeanise the process of ratifying the Constitution which, as its name indicates, is a European Constitution. And there are only two ways of doing this. Firstly, by coordinating its ratification in the Member States. There are 25 of us, but we are only one Union and the referendums must therefore be held within a few days of each other and why not close to the Day for Europe.

Secondly, the institutions cannot be neutral in this debate. Parliament, the Council and the Commission, in common agreement, must carry out a strategy of information, debate and persuading the public, in order to defeat our main enemy, which will be low turn-out.

With majority participation, this Constitution will come into being.

Cornillet (ALDE). – (FR) Mr President, given that a 'no' vote in one country can cause the process of adopting the Constitutional Treaty to fail for the whole of the EU, we can no longer deem the ratification processes to be national. We are well aware, for that matter, that ratifying the Treaties, and in particular by means of referendums, is contaminated by internal political issues. France recently gave us a lamentable example of this.

We must, as far as possible, denationalise the debate and encourage Heads of State or Government to coordinate their actions towards successive ratifications. In order to create a positive spiral of adoption, it would be worthwhile preventing the most reluctant countries from holding their vote first.

Accordingly, the proposal to hold the vote in all EU countries during the same period, namely 5 to 8 May 2005, should enable us to employ certain symbols in the cause of adoption: the symbol of unity of place – an entire European Union expressing its opinion at the same time, as opposed to 25 countries voting one after another; the symbol of the unity of one text – one joint answer to one joint question; the symbol of the unity of time – the whole Union voting at the same time, from Thursday 5 to Sunday 8, whilst complying with national traditions of polls held either during the week or on a Sunday; and lastly, the symbol of 8 May 2005, the 60th anniversary of the last conflict that set us against one another.

It is therefore on the platform of these sixty years of peace, thanks to the European Union, that we could build the Europe of tomorrow. This is the thrust of this proposal.

IN THE CHAIR: MR COSTA

Vice-President

Joan i Marí (Verts/ALE). – (DE) Mr President, I will go along with Mr Borrell's proposal that we Catalans in the House should not speak our own language. Instead, I will use a language which is very close to Strasbourg and the Alsace region. As a linguist, I would like to make known my strong opposition to the fact that Spain is calling for the EU's linguistic regime to include Catalan and Valencian as if these were two entirely different languages. Catalan is spoken from north to south, from Salses, in Roussillon, to Guardamar, south of Valencia, and from west to east, from Fraga, in the Autonomous Community of Aragon, to Alghero, in Sardinia. To speak of Catalan and Valencian is to promote linguistic secessionism, which has long been one of the strategies of cultural destruction. As the Romans said, '*divide et impera!*' which, translated into an official EU language, means 'divide and rule!'.

If Europe is moving closer to an ever more effective unity, what point can there be in fragmenting both languages, which in actual fact are spoken across borders and other divisions? A Europe which does not give a voice to all its peoples will be an incomplete Europe. We have a great opportunity to build a true European federalism.

Sinnott (IND/DEM). – Mr President, I love the word 'democracy' because it puts the word 'people' in front of the word 'rule' – government by the people, of the people, for the people. I have heard the word 'democracy' repeated many times in Parliament and in the Committee on Constitutional Affairs on which I sit.

However, the word is empty without the reality. I see little evidence of democracy in the strategies being designed to guarantee a positive outcome to the Constitution. In the committee we are told that it is our job to 'sell the Treaty', that we should restrict the debate in our home countries, that referendums should be scheduled to maximise the 'yes' vote. We are told that we must get the Council to supply funds for the pro-Constitution campaigns.

In committee draft questions were proposed to ask the Council to specify a strategy to ensure a positive outcome to the ratification procedure. I called for the question to be amended to ask the Council to ensure a fair and free ratification procedure. I am sorry to say that 'fair and free' lost.

I turn to the Council, Commission and Parliament: if we believe in democracy – especially in this process that you, Mr President, called the most important since the founding of the Union – I entreat you to do whatever you can to ensure a fair and free process, to ensure that resources are used to truly inform people, especially by distributing copies of the Constitution to all the electorate, and by ensuring that all sides of the debate are thoroughly aired. If we insist on democracy in this process – not just in word but in reality – then we will have a real outcome that every true democrat can accept.

Méndez de Vigo (PPE-DE). – (ES) Mr President, on a point of order and so that it may appear in the Minutes, I would like to congratulate the interpreters on the translation into Spanish of Mr Joan i Marí's speech, which was perfect.

President. Thank you very much. I feel that the interpreters will be very grateful, as I am, because I will be able to recognise German spoken by a Spaniard more easily next time.

Angelilli (UEN). – (IT) Mr President, ladies and gentlemen, although it is not the subject of the debate, I take the opportunity to express my feeling of regret at the fact that it was not thought desirable to insert a reference to Europe's Christian roots in the preamble to the Constitution.

Having said that, I can only agree with the requirement to give the people as much information about the draft Constitution as possible and to establish a coordinated timetable for ratification of the Constitution itself, in the hope that all European citizens can have the right and the opportunity to take part in this stage of the constitutional process through popular referendums in all the Member States. We should not be afraid of participation and democracy, because it is the only way in which the new Europe of peoples, of rights and of the Constitution will really be a strong and empowered Europe.

Allister (NI). – I too am a dissenting member of the Committee on Constitutional Affairs on the Constitution. I oppose the Constitution because I dare still to cling to a belief in maximising meaningful national sovereignty.

Could I, in that context, ask the Council and the Commission to agree that the first priority in any referendum should be that it should be seen to be both free and fair? In this regard, is it not imperative to guarantee two things: first, to guarantee that the case against the Constitution is not suppressed in a welter of one-sided propaganda emanating from the European institutions and, secondly, that the democratic referendum process is not distorted by unbalanced funding from external sources?

Therefore, could the Council and the Commission agree that they would resolutely resist the temptation of bankrolling a pro-Constitution propaganda offensive across Europe? These are national referendums and they should be allowed to be so.

Stubb (PPE-DE). – (FI) Mr President, my speech is in Finnish and Swedish. I would like to raise three issues. Firstly, I take a very positive view of this Constitutional Treaty. It is a notable improvement on the Treaty of Nice, the Treaty of Amsterdam and all the earlier treaties. It makes the EU more democratic, more transparent and more effective.

Secondly, it is the responsibility of all the institutions to approve this Treaty. It is the Commission's responsibility, it is the Council's responsibility and it is the European Parliament's responsibility. If the Treaty fails in one country, it fails in the entire Union, and that is not in our best interests.

The third and last part in the Swedish of the Moomins. I think we must all work enormously hard to get this new treaty through. In 2005, our task as Members of the European Parliament is precisely that described by Mr Méndez de Vigo, Mr Leinen, Mr Duff, Mr Voogenhuber and Mr Corbett, so we must try to push this treaty through. It is in our interests.

(Applause)

Lambrinidis (PSE). – (EL) Mr President, a start may be half the battle, but it is not the be all and end all. A start was made on the Constitution by the Intergovernmental Conference, with the acceptance of the Constitutional Treaty, a conference which finished its work during the Greek Presidency in June 2003. It is a success of which we are all particularly proud. However, that is only half the story; this Constitution needs to be approved. It would, I believe, be a tragic mistake and somewhat schizophrenic on our part, to coin a phrase, if we were to consider that our worries were over and that the entire matter and the entire problem had now been shifted to the national governments because, even if this Constitution is approved by everyone, if it is approved on the basis of internal political or micro-political dialogue in each country, its approval will be a pyrrhic victory for Europe.

Given, of course, that the lion's share, as far as information is concerned, lies with the Member States, the national parliaments and the citizens, I consider that there are three basic elements of coordination which are vital to us:

First, as European and institutional bodies, we must not interfere or engage in repellent action; we need to coordinate so that the left hand knows what the right hand is doing.

Secondly, at the very least we must help to inform citizens in clear, simple words about the differences which exist between the Treaty of Nice and this new Constitution. Anyone who disagrees with this Constitution will need to explain to themselves and everyone else why and how the present treaty protects their reasons for disagreement better than our Constitution, because we shall continue to function; it will merely be with the Treaty of Nice.

Thirdly, and this is especially important, information will also need to continue after the referendums. The Constitution is alive. It does not end with its approval. On the contrary, it starts with its application. It gives our citizens rights. Rights of participation and cooperation to force us to legislate. Rights which they need to know in order to take advantage of them. We have this obligation if our Constitution is to be a constitution which promotes not only democracy, not only transparency, but also the power of the citizen in the Union we are building together.

(Applause)

Schlyter (Verts/ALE). *(SV)* At least ten countries are to hold referendums on the Constitution. That is wise, because a constitution regulates the power wielded by politicians. Such power can only be given by the people, not taken away from them. I hope that my country will be the eleventh country to believe in democracy and let the people decide in a referendum.

The EU institutions must support the people and democracy by being neutral in what they have to say and by matter-of-factly pointing out the changes in respect of previous treaties. It is not the role of the institutions to engineer 'yes' votes in referendums but to provide people with a basis for taking a decision. Otherwise, the EU is failing to live up to its own democratic ideals. I am pleased that the Commission will not be funding campaigns but, if it does so, the 'yes' and 'no' sides must be given equal resources.

Czarnecki, Ryszard (NI). *(PL)* Mr President, as a member of the Committee on Constitutional Affairs I greatly regret that today's discussion has been dominated by military jargon. There has been talk of the 'fight for the Constitution', and of the need to win the 'battle for the Constitution'. It should be remembered that wherever there is a battle there are enemies. Yet there are enough divisions in Europe and the European Union without now creating new ones by using military jargon reminiscent of the Cold War.

My question to Mr Barrot and Mr Nicolăi is this: do you really believe that the idea of holding constitutional referendums in Europe on one single day, an idea which to my mind is quite impracticable, is a feasible one? This would after all amount to propaganda and imposing happiness on nations by force. Mr President, if this must take place on a single day, I would like to propose 30 February.

Esteves (PPE-DE). – *(PT)* Mr President, I would briefly like to say that we have all come to the European Union because we share the same constitutional values. Whilst there is nothing essentially new in the Constitution, apart from greater legal and political integration of the Member States, it heralds a new political era, by making it clear that Europe is more than just an economic area or a market. It is an area of values, a constitutional area, where the guiding principle is human dignity.

As a joint operation, Europe requires joint mobilisation. The Constitution will not be made in the classical manner of the old constitutions; it will mobilise European institutions, States and the public. The European institutions that gave birth to the dream cannot now give birth to fear. They must mobilise themselves in this joint task of involving the public in objective and genuine debate on the reasons behind the Constitution, which is purely and simply an extension of the constitutional convergence between different States. The institutions must now therefore communicate directly with the public and must get away from exclusive mediation by the States. The institutions are taking the required steps towards transversal action in the process of concluding the constitutional foundation. We must get away from the absurdity of partitioning European discourse and, more importantly, from the absurdity of instrumentalising European discourse. We are entering a new political era. The European institutions must be at the forefront of this.

Sousa Pinto (PSE). – *(PT)* Mr President, Commissioner, Mr Nicolăi, I should like to begin by registering my displeasure at the brief introduction to nationalist-style populist rhetoric and to parochial attitudes to national languages to which we have been treated.

Even a constitutional debate offers an opportunity to people with that parochial mentality, people who are incapable of grasping what is at stake. Commissioner, I should like to draw your attention to the fact that, in our view, it would be crazy for the Commission, which had a decisive role to play in tabling the draft Constitution, to renege on its responsibility to take part in a joint strategy aimed at its approval. A joint strategy between the Commission and the Council carries a good deal more weight and goes beyond a mere information campaign used to disseminate objective information. Whilst that role is very important, a common strategy goes beyond that and carries more weight.

Given the nature of the European Project and, in particular, of the conditions for approving the draft Constitution, as has most aptly been said earlier, in any national process of approving a draft, in every country

the interests of other States, the interests of all States and the interests of all European citizens are an important factor. The intervention on the part of the Community institutions, the Commission, the Council and Parliament itself, is, moreover, the only one, in view of its unquestionably supranational nature, in particular that of the Commission and Parliament, to intervene firmly in this process without laying itself open to the charge of interfering in the internal democratic process of the States concerned.

Supranational institutions do not lay themselves open to the charge of interfering in the internal democratic process of States and therefore have a greater responsibility in fighting for the approval of the Constitution.

Simonot (NI). – (FR) Mr President, ladies and gentlemen, the fight to have Europe's Christian roots written into the prologue of the European Constitution will have brought into conflict, throughout the Convention and the Intergovernmental Conference, the most hardened proponents of secularism, headed by Mr Michel and Mr Chirac, on the one side, and certain countries such as Poland, Italy or Portugal, supported by no less prestigious a figure than Pope John-Paul II, on the other. In the end, the atheist and Masonic lobbies won the day, thereby turning their backs on Europe's past and its magnificent Christian civilisation. This was no doubt in order to pave the way for Turkey's accession to the EU.

Think, ladies and gentlemen, of the terrible sentence addressed by Cardinal Pie, a great Bishop of Poitiers, to Emperor Napoleon III: 'If the time for Jesus Christ to reign has passed, then the time for governments to reign has also passed'. Three years later, there was Sedan. A Europe without memory, which is unfaithful to its past and deprived of its Christian soul, is a Europe without a future, condemned to the worst depths of servitude.

Nicolai, Council. – (NL) Mr President, your predecessor was kind enough to point out that the Council is entitled to speak for longer. I consider it not so much a right as a duty to be able to comment on a number of really important remarks. I cannot guarantee that I will be finished in five minutes. I would remind you, Mr President, that I still have some minutes left over. I will of course abide by your rules. In my view, a number of your Members have made very crucial remarks about whose responsibility it is, and to what extent, to bring these ratification processes to a successful conclusion. Mr Corbett, Mr Vigo, Mr Stubb and many others have pointed out that there is, of course, a joint responsibility for the success of the process after 29 October when the ratification is signed.

President. I asked the Council to remain within these time constraints, given that there is another debate to follow this one in the Council's presence and that the Bureau was notified of your time constraints, Mr Nicolai. Nevertheless, we are certain that Parliament will benefit from any time that you spend beyond that limit and from the time you spend giving answers in Question Time, which follows.

Nicolai, Council. – (NL) Mr President, I will of course comply with your rules. In my view, a number of your Members have made very crucial remarks about whose responsibility it is, and to what extent, to successfully complete these ratification processes. Mr Corbett, Mr Vigo, Mr Stubb and many others have said, there is, of course, a joint responsibility for the success of the process after 29 October, when the ratification is signed, albeit because we all rely on each other. We all rely on the success of all 25 ratification processes for this Treaty to enter into force. Where we can – and I am specifically saying this on behalf of the Council, we will actually do this in the Council as well – where we can, we must support and strengthen each other in this, and also learn from each other. It would be unfortunate, as Mr Voggenhuber pointed out in his critical remarks, if we were to blame each other and pass the buck to one another, because I consider it, in fact, important and valuable, as many in this House have said, that the three institutions carry a responsibility in this. It is my conviction that, so far, the Commission has played a very constructive, positive role in communicating Europe and informing the public about the Treaty, and it would, in fact, be wrong to put the ball in their court, because I see the Member States and Members of this House as also having a very considerable responsibility in this area.

Many of you raised the point about the coordination in time of the different referendums. Many fine words have been spoken about how good it would be to have these referendums take place at a symbolic moment within a limited timeframe. I hope that you will agree with me that, although we might like the idea, we will not actually entertain it, because these are matters specifically related to constitutional legislation and should remain in the national sphere. I assume that this House, in terms of subsidiarity and the question as to which government layer would need to deal with what area, would not like to meddle in this anyway. What is very important, though, is that the different Member States examine when and how harmonisation could be possible, and that is exactly what we at the Council and the Council's Secretariat are doing. We are publishing the national schedules, thus allowing governments and parliaments nationally to take these into consideration

when drawing up their own schedules so as to see whether dates can be organised close together. This has nothing to do with whether you believe in a European approach to this issue or not, as some of you suggested. It has everything to do with constitutional law and it also concerns precisely the sensitivities which many of you have mentioned that referendums are at risk of becoming a national plaything. Many Members have given voice to this concern. That is precisely why the Council is convinced that it is good to give national parliaments and national governments some leeway in choosing a sensible date for such a referendum. This could be connected to all kinds of things, including other elections, or other current issues, in the country in question. I think that the ratification by 25 countries benefits from those countries having a good look at each other, but that those national responsibilities should remain intact at the same time.

Talking of referendums, further to Mrs Kaufmann's and Mr Schlyter's remarks, I would point out that at present, nine Member States have decided to hold a referendum, eleven Member States have decided against it and five countries are still undecided.

What is crucial is the way in which we, the different institutions, the different governments, enter into these ratification procedures, the way in which we enter into discussion with public opinion, and the way in which we will tackle the referendums in those countries where referendums will be held. I think that to start with, Mr Méndez de Vigo emphatically stated that we should be in favour, and I also considered this as an appeal to the Member States and governments. We as governments and Council will be signing that Treaty and are in favour of it. We are not impartial towards that Treaty. It is important to us for this Treaty to be adopted and ratified. It is important because anyone who reads this Treaty will see that, however you look at it, Europe will, thanks to the new Treaty, become much more democratic. Simply consider the enormous widening of responsibilities of this House; finally, it is a fully-fledged European Parliament. Or consider the level of decisiveness, which will visibly improve with the new Treaty, again an example of decision-making by majority. Consider transparency, clarity, which will improve with this Treaty. Another point that is very important when I listen to all your remarks is that even the Eurosceptics are, in my opinion, pleased with this Treaty. Why? Because it stipulates, in detail and effectively, this very subsidiarity, those questions of who decides on what. As a result, Europe becomes more democratic not only at European level, but also nationally, because national parliaments can stand up and can argue that something could be done more effectively at national level and is not a matter for Europe.

I do not think that there is a conflict – as a number of you mentioned – between devoting all our attention to those in favour, or working on the opponents, or, as the question has been raised, giving factual information as against preliminary information. In my view, Mr Crowley, among others, is right to say that the two are not mutually exclusive by any means. I am also looking in the direction of the Commission, because it had already hinted at this fact, with good reason. Factual information is a way of despatching the myths, the lies as they were referred to here. Using factual information, we can illustrate why this Treaty means progress for everyone in Europe.

Finally, I should like to comment on the meeting that is to be held in Amsterdam on 5 October, involving the European Affairs Ministers, to deal specifically with communicating Europe and also with ratification and with those referendums that are scheduled. I am delighted with what Mr Barrot had to say about this. It is also gratifying that Mr Vitorino will be attending that meeting, and I welcome his statement that what we discuss at it should impact on the Commission's further plans and in turn, needless to say, also on the decision-making in the European Council on 5 November. I am also thrilled that the President of your House, Mr Borrell Fontelles has already confirmed that he will be attending that meeting, because as I said earlier, without the three institutions, we are unable to bring this to a successful conclusion. This meeting should be a meeting about communicating Europe, but one that also reveals how it is possible to communicate about Europe. It will not be a platform for reading out written-down statements, the media will be present, and I hope that we can demonstrate that Europe benefits from debate. What is helpful in that connection is the fact that your previous President, Mr Pat Cox, was prepared to act as moderator during this meeting. The principle underlying this meeting, and undoubtedly the entire further procedure where this Treaty's ratification is concerned, is that it benefits the public and that we take the public seriously.

Barrot, Commission. (FR) Mr President, I wanted to be brief, but should not want any brevity on my part to have given rise to any misunderstandings.

To Mr Méndez de Vigo, the first and distinguished speaker, I would like to say that there is obviously no ambiguity. Firstly, the Commission is fully committed to the draft Constitution, and I can testify that Mr Barnier, followed by Mr Vitorino, whom I assisted during the Council's closing moments, really did do everything possible to bring it about. It will mark a very important step towards making this Union of ours

more democratic and towards a whole series of advances, in which codecision, or rather the extension of Parliamentary codecision, is a major element.

It follows that there is a manifest commitment to the draft Constitution on the part of the Commission, and that there is no question of it not having an interest in the consultation that will result or in the consultations that will be held in the Member States. Quite simply, I tried to explain that the Commission had already undertaken to prepare documents that I believe have the dual merit of being very objective and of presenting the situation as it is now and as it will be once the draft Constitution has been ratified. All too often, in fact, the debate on how the EU should develop rather confuses matters, and it is not always very easy to distinguish what exists today from what will exist tomorrow, so we wanted the tools we provided to be practical, clear and operational, even though there is certainly room for their further improvement. I hope I have given an account of what the Commission has done about this.

I do not want there to be any doubt about the fact that funding is a problem. We did not allocate EUR 1.5 million to the preliminary draft Budget for 2005 in order to reduce the projects, but because, at the time the preliminary draft Budget was being drawn up, we were still too uncertain of the eventual outcome. In any case, we declared our intention of reviewing the situation with you in the course of the Budget procedure. The situation is clearer now, and we are ready to act on the basis of the appropriations that your House and the Council, represented by Mr Nicolai, estimate will have to be set aside for this purpose. The Commission is imposing no restrictions in this respect. What does actually matter is that the necessary funds be used once the enterprise is underway. So let there be no misunderstandings on that front.

Nor let there be any misunderstanding of what I have said. We think that the Commission would be incapable, on its own, of devising an information campaign. While again thanking Mr Leinen, I would also like to stress the fact that we are agreed, in particular, on item 6 of the motion for a resolution, which states that the Council, the Commission and Parliament must prepare an appropriate campaign and a communications strategy, and that this necessitates a joint effort by all the parties. When stressing the need for a sufficiently confident and effective partnership with the Member States, I certainly do not mean that there should be, in certain Member States, campaigns that are not coordinated and are not harmonized with those of other Member States. The simple fact, which Mr Nicolai has just explained, is that we have to take into account certain national aspects in order to be certain that our information campaign will be as effective as it needs to be. It is, then, the desire for effectiveness that motivates us, and the Commission must not be seen as any less interested in the joint effort towards winning the battle to keep the public properly informed.

It follows that one and all must take their share of responsibility; the Commission will entirely accept its own. If Mr Vitorino were here, he would say so forcefully. As Mr Nicolai has just said, Mr Vitorino will be in Amsterdam, and we may hope that the meeting on 5 October will be productive, not only in terms of guidance for our joint information project for all Europe's citizens – with information that will, let me repeat, be objective – but also perhaps in terms of that coordination for certain consultations for which many of you have rightly expressed a wish. It is indeed in our interests that what is becoming a body of European citizens should be able to be heard through consultations organised in the various Member States and through their coordination.

I will close, Mr President, by expressing the wish that this meeting in Amsterdam might be able to shed as much light as possible on what would make for an effective partnership between Parliament, the Council and the Commission in winning the battle on the information front; I would suggest that it would be objectivity and truthfulness, for I have confidence in Europe and am convinced that truthful information will be likely to win widespread public support.

President. Thank you very much, Commissioner. Ladies and gentlemen, this debate is now closed. Voting on the resolution relating to this debate will take place on 14 October. The next item is questions to the Council. I now give the floor to Mr Nicolai to answer the first question by Mrs Ludford on fair trials for European citizens and European residents.

WRITTEN DECLARATION (ARTICLE 142)

Figueiredo (GUE/NGL). – (PT) The debate on these questions put by Parliament to the Council demonstrates that rather than ensuring a frank, clear and illuminating debate, in which different political opinions and arguments are aired on the Constitutional Treaty, Parliament has reacted tentatively and fearfully towards the national referendums that have been announced.

This is the only way one can interpret the fact that it has questioned the Commission on the action it intends to pursue within the scope of a communication strategy aimed achieving ratification of this Treaty.

This was also true of the fact that the Council was asked about actions that it intends to pursue aimed at defining a joint Member State approach and, if possible, a coordinated timetable for ratifying the Constitution for Europe, and of preparing a communication strategy with the aim of achieving positive results in the ratification processes.

Parliament wants an 'approach', a 'timetable' and a 'strategy' to be adopted – using Community resources, including financial resources – to ensure 'a positive result', which means approving the 'European Constitution'. This is unacceptable.

This idea is nothing new, since the Union of Industrial and Employers' Confederations in Europe (UNICE) has called for the same thing.

8. Question Time (Council)

President. The next item is Questions to the Council (B6-0007/04).

We shall examine a number of questions.

President. Question No 1 by **Sarah Ludford** (H-0212/04):

Subject: Fair trials for European citizens and European residents

Can the Council please give details of what it has done to seek a fair trial or repatriation for European citizens and European residents imprisoned in Guantanamo Bay, Bagram, Abu Ghraib, Diego Garcia and other camps administered by the United States authorities, and to what effect?

Nicolai, Council. (NL) Mr President, as I have already said in reply to a number of questions from your House, the Council repeats that it is the responsibility of the individual Member State concerned to protect the rights and interests of citizens of the Member States overseas as provided for by the Treaty of Vienna on consular relations. Member States whose citizens are held in Guantanamo Bay or elsewhere are taking the steps they consider necessary in order to ensure that their citizens' rights under their bilateral relations with the United States are respected. The Council is unable to provide details of these courses of action, questions concerning which should be addressed to the Member States in question. Speaking in general terms, I will point out, in response to this question, that the EU has always expressed its concern about the situation in Guantanamo Bay and has, on several occasions in its dealings with the United States, stated that the treatment of prisoners should conform to the standards laid down by the Geneva Convention and of human rights. As recently as July, there was an official discussion between the European Union and the United States, at which the United States highlighted the establishment of what it calls 'combatant status review tribunals' following recent rulings by the American Supreme Court. Representatives of the European Union set out the concerns that still exist on the European side, including those relating to the creation of a new category of prisoners, termed 'hostile militants'. In conclusion, the Dutch Presidency will, in its dealings with the United States, continue to raise the concerns that remain about the status of the prisoners in Guantanamo Bay and the treatment they receive.

Ludford (ALDE). – I thank the presidency of the Council for that reply, but I am bound to say that I find it, yet again, disappointing. The European Union is supposed to have a human rights policy under Articles 6 and 7 of the EU Treaty. We have the Charter of Fundamental Rights and we are constructing an area of freedom, security and justice. We insert human rights clauses in external agreements. Indeed, I heard the President of the Council say this morning that in future we will have anti-terrorism clauses in those agreements.

Yet when dealing with our most powerful and important international partner, the European Union has not reached a common position or made – as I understand it – any formal *démarche* to the United States. Today a lawyer for some of the remaining British detainees has described the stance of the UK Government as craven. How would the minister describe the European Union stance overall, when some of our citizens and residents are still under illegal detention, being abused and even tortured and denied either release or a fair trial? Why is the European Union, as such, not making formal representations?

Nicolai, Council. (NL) Mr President, I regret to say, on behalf of the Council, that I cannot dispel Mrs Ludford's sense of disappointment, but I do hope that I have clearly expressed our concern and that I have stated that

we, where we are able to do so, are discharging our responsibilities and taking the action described in my first intervention.

President. Question No 2 by **Catherine Stihler** (H-0213/04):

Subject: Caging of infants in the Czech Republic

The Sunday Times recently published a horrifying report which focused on the practice of caging infants at the Raby home, near Prague, in the Czech Republic. Five mentally handicapped children and a toddler with cerebral palsy were discovered in cages, which they were allowed to leave only briefly each morning to be fed and washed. In another home a 14-year-old girl died when a bar on her cage fell on her.

The use of cages has been condemned as breaking international law and contrary to the United Nations Convention on the Rights of the Child by Amnesty International and Human Rights Watch. Campaigners including the children's author J. K. Rowling have condemned the inhumanity of this barbaric form of treatment.

What action will the Council take to ensure that the practice of caging is ended?

Nicolai, Council. (NL) Mr President, the Council is not aware of the practice of caging, as described in this question, being carried out in any Member State. Having said that, the Council would remind the House that it is fully committed to respect for human rights and to fighting every kind of discrimination on the basis of age or handicap. At the same time, too, the Council wishes to point out that all Member States, including the Czech Republic, have signed the European Convention on Human Rights, which includes, as you will be aware, in its Article 3, provisions on the combating of cruel or inhumane treatment, and that they have also ratified the Convention on Children's Rights and the Convention against Torture. The Convention on Children's Rights contains specific provisions on discrimination on the grounds of disability – Article 2 – and on mentally and physically handicapped children, in its Article 23. The Council will remain constantly committed to respect for human rights and to the outlawing of any form of discrimination.

Stihler (PSE). – I am somewhat surprised by the Council's response, as I think we should be aware of the issue of caged beds. Not only is it cruel, unjust and undignified, but it causes the children concerned anger, aggression and depression. The use of caged beds breaks international law: it is contrary to the United Nations Convention on the Rights of the Child and is condemned by Amnesty International and Human Rights Watch.

I have a number of supplementary questions. How will the Council monitor the situation? What pressure can the Council bring to bear to end this outrageous use of caged beds? They exist not only in the Czech Republic but also in Slovakia, Slovenia and Hungary. What support can be given to the various countries to ensure that a ban is properly implemented? And finally, what is the Council proposing to do in terms of the enlargement negotiations with Romania, where I believe this is also a problem? I would welcome your response, Mr Nicolai. I urge you to take this issue very seriously.

Nicolai, Council. (NL) Mr President, Mrs Stihler will also be aware that the Council's options and powers are of course limited, but there are, fortunately, other channels and other bodies that can deal with situations of this kind; subject to these limitations, the Council is, of course, always alert, and she will also be aware of the ways in which it can exert influence and become involved should information come to its attention.

President. Question No 3 by **Rodi Kratsa-Tsagaropoulou** (H-0216/04):

Subject: Progress of reconstruction in the Balkans

The Dutch Presidency has not included the promotion of the EU's relations with Balkan countries or the promotion of the reconstruction process among its priorities for the external relations sector. In its most recent report (the Third Report on the Stabilisation and Association process for South East Europe) the Commission states that an additional amount of EUR 71 million (an increase of approximately 13%) has been granted to the Western Balkans in the 2004 budget for reconstruction together with new measures for the promotion of regional cooperation.

Within these new frameworks, does the Council intend to take specific initiatives to reinforce reconstruction and regional cooperation between the Balkan countries and the EU Member States? Is the Council satisfied with regard to the implementation of commitments by the countries in the region for enhanced regional cooperation and the promotion of a series of specific goals and initiatives decided on at the Thessaloniki Summit? Does it intend to ask the Commission to produce new proposals on these issues?

Nicolai, Council. (NL) Mr President, the Western Balkans are still among the European Union's priorities. Mr Bot, the Minister for Foreign Affairs, visited the region between 21 and 23 July; this was one of his first journeys in his capacity as President of the Council of Ministers and emphasised that the region will remain a priority for the EU under the Dutch Presidency and that those countries' future lies within the European Union.

The importance that the Dutch Presidency attaches to the Western Balkans is apparent from the various other ministerial meetings, including the very first meeting of the stability association council with the FYROM and the preparations for the first military mission, Operation Altea, in Bosnia and Herzegovina.

At Thessaloniki, in June 2003, the European Union again promised its strong support for the efforts to consolidate democracy and stability in the Western Balkans and undertook to promote their economic development and regional cooperation. The European Union and the countries of the Western Balkans already share a strategy and an agenda, the Stabilisation and Association Process (SAP), with which you will be familiar. What has to be done is clear and apparent from the new instruments, known as partnerships, which lay down priorities for action and offer the countries of the Western Balkans a coherent framework for their drawing closer to the EU. Further progress with the SAP will be dependent on both parties, the EU and the countries of the Western Balkans, being determined to discharge their obligations. The speed at which the countries of the Western Balkans move forward on their way to the EU will depend on the results achieved by each of them in carrying out reforms. In certain countries, progress must be accompanied by increased regional cooperation, and the European Union will continue to cooperate with the Stability Pact for South-Eastern Europe, the SEECP, and the other actors concerned in further improving regional cooperation.

Kratsa-Tsagaropoulou (PPE-DE). – (EL) Thank you very much, Minister, for your reply and confirmation of the commitment of the European Union and, more specifically, the Council, to the process of stabilisation in South East Europe.

As the European Parliament noted in its annual report and as clearly formulated at the summit in Thessaloniki, we need to start taking stock and evaluating the implementation of the commitments undertaken by the countries in the area in question.

My question addressed precisely this point. I too have taken a stand by saying that there is a further source of assistance over and above the familiar financial framework and over and above the 2004 budget: are you assessing whether these countries in South East Europe are honouring their commitments?

Nicolai, Council. (NL) I think that the honourable Member has raised an important issue and I was happy to be able to enlighten her about it. Other than what I said in my first speech, I have no more detailed information to give in response to her comments.

President. Question No 4 by **Marie Anne Isler Béguin** (H-0219/04):

Subject: Making agreements between the EU and third countries conditional on ratification of the Kyoto Protocol

The EU is actively involved, in particular via its ECHO programme, in dealing with ecological disasters throughout the world. Such disasters, which are increasing in scale, are the result of decades of ecological negligence and may eventually outstrip the EU's ability to provide assistance.

The EU is a party to the Kyoto Protocol; it is also the world's leading economic and trading power.

Why does the Council not tackle the causes of environmental disasters which affect the world as a whole, before they occur, by making ratification of the Kyoto Protocol a prerequisite for negotiations and agreements between the EU and third countries?

Nicolai, Council. (NL) Mr President, the EU's policy on climate change is clearly recognizable in the EU's external relations. The Council regularly puts climate change and climate issues on the agenda, thereby stressing time and time again the particular importance of the prompt implementation of the Kyoto Protocol. This is the case with a number of meetings forming part of policy dialogue, some of which are held at the highest level with partner states such as the United States and Russia, ratification by both of whom could, as you know, tip the balance in getting the Kyoto Protocol implemented.

Furthermore, I would remind the House that sustainable development, of which climate policy forms a very important part, is a concept featuring in all areas of cooperation with third states, the Cotonou agreement with the ACP countries being one example.

Isler Béguin (Verts/ALE). – (FR) I am particularly disappointed by the answer given by the Council, as we know we are bringing pressure to bear on the United States and on Russia, but today we know that we have certain means at our disposal, including conditions relating to the ratification of the Kyoto Protocol in the agreements with the Member States. What I wonder, and what I want to ask you, then, is whether the EU is ready, whether the Council is ready, when negotiating with third countries, to make trading agreements conditional upon the ratification of the Kyoto Protocol. You gave no reply. It is obvious, though, that if you want to fight greenhouse gas emissions, that is where you have to start. Moreover, the means are there. We lead the world. Let us use this lever to have the Kyoto Protocol enter into force.

Ortuondo Larrea (ALDE). – (ES) I would like to add to Mrs Isler Béguin's question by asking whether the Council is really in a position to try to defend the Kyoto Protocol in its relations with third countries, when I still do not know the Council's true position on that Protocol.

How much harmonisation is there amongst the Member States' policies on the implementation of the Kyoto Treaty and what position will the Member States' take on 28 September when the International Civil Aviation Organisation considers an amendment which would turn the ICAO regulation on its head in terms of emissions from aeroplanes on international flights?

Nicolai, Council. (NL) Mr President, I should like to answer the second supplementary question. The Council's powers are in fact limited when it comes to exerting the pressure of which the honourable Members spoke. We do what we can, and I can produce evidence of that. Perhaps, Mr President, I can do that by adding that the Dutch Minister concerned, as part of the presidency of the European Union, will this autumn be undertaking an international climate tour, against the background of the problems that the two honourable Members have raised. He plans to visit the United States, China, India, Brazil, South Africa, Qatar, and also a number of EU Member States, in an effort to mobilise the positive forces around international climate policy and the intended outcome of the tour is that the countries he visits should come to recognise that there is a climate problem and are willing to talk about a long-term climate policy.

President. Question No 5 by **Brian Crowley** (H-0220/04):

Subject: Raising the positive profile of Europe

Given the lack of a real debate on European issues during the recent European Parliament elections, will the Dutch Presidency state what new initiatives it wishes to promote to highlight the positive role played by the European Union in the lives of the citizens of the 25 EU Member States?

Nicolai, Council. (NL) Mr President, this question has everything to do with the debate that we have just had in the plenary on communication with the public, on the poor turnout at the most recent elections to the European Parliament, and on the subject of greater involvement by the public, which is also important to the Council, and on which it made a statement in July. The question also indicates the importance of dealing with the public and with the problems that they see themselves as having most to contend with. That is precisely the approach that we will be considering at the meeting – to which reference has already been made – on 5 October; the Ministers concerned will be getting to grips with them and will report to the European Council of 5 November; another aspect will be the need to deal not only with day-to-day problems but also to discuss the crucial issue of how to bring Europe closer to the people.

I think that this subject was adequately discussed in the debate we have just had, but perhaps I might make an additional comment on the procedure. This is in particular a matter for the four presidencies following that of the Netherlands to deal with, and needs to be addressed not only in the referendum context but more broadly in the context of communication with the public.

Crowley (UEN). – I wish to thank the President-in-Office for his response to this question and also for his earlier remarks.

Under the Irish presidency, Minister Roche set up a working group in the Council to look for better ways in which to inform citizens of the benefits of Europe. There is a need for greater communication and understanding not only of what Europe does but also of the responsibility of its citizens to ensure we are as good as we can be. The only way to guarantee that is by involving the people more directly in open fora and in communication, etc.

I would like the President-in-Office to reaffirm his commitment to continue this kind of process to find the best way of ensuring that people know exactly what we do and what we do not do at European level.

Nicolai, Council. (NL) Mr President, I will quite willingly reiterate the undertaking I have already given that we shall continue to carry the torch that was indeed lit by my predecessor Dick Roche, Minister for European Affairs during the Irish Presidency, for at least the next four presidencies, and that this torch shall continue to burn.

Kratsa-Tsagaropoulou (PPE-DE). – (EL) I should like to ask the President-in-Office if he would allow me to extend the search for the positive profile of Europe somewhat, beyond the Europe of the twenty-five to the rest of the world.

We should not forget that the European Union, with its Community budget and its Member States, is the biggest source of development and humanitarian aid in the world.

It is clear, however, from the experience of numerous honourable Members who have visited the developing world that this is not visible: the citizens of the developing world are more aware of individual Member States or international organisations, such as the International Bank or the United Nations, than they are of the European Union.

I believe that, in the effort we are making today to raise our political profile and increase our intervention in the world, we must also pay attention to our image in the outside world.

Nicolai, Council. (NL) Mr President, the debate on 'Communicating Europe' has, as the honourable Member said, everything to do with the image of Europe both within and outside Europe, and on that I am in full agreement with her. What we are focussing on is public concern in Europe as regards the European Union, which certainly does include discussion of the role played by the European Union in the world, for this too is something that the public increasingly expect of their European Union.

President. Question No 6 by **Seán Ó Neachtain** (H-0222/04):

Subject: EU relations with the US

The Dutch Presidency has stated its desire to work to ensure that transatlantic relations, including economic cooperation and trade relations will be strengthened on the basis of a positive agenda. Will the Council now provide a detailed statement on what it intends to include in its positive agenda and will it develop initiatives outside the sphere of economic cooperation and trade relations, for example, in the areas of culture and development aid?

Nicolai, Council. (NL) Mr President, as the honourable Member rightly observed in his question, the positive agenda for trans-Atlantic relations goes far beyond economic cooperation and trading relationships; it does indeed encompass a whole range of subjects. Our partnership with the United States is founded upon shared values and common concerns; our relationship across the Atlantic, as set out in the European security strategy, is unique. The European Union and the United States are working on common strategies for dealing with emerging threats such as terrorism, the proliferation of weapons of mass destruction, rogue states and organised crime. Both are working closely together to promote respect for human rights in the countries belonging to the United Nations. They take joint action to promote peace, stability, democracy and development in such regions as the Balkans, the Southern Caucasus and in countries like Afghanistan. They both want to see Iraq develop into a stable, democratic and self-governing country. As regards the peace process in the Middle East, they are both committed to working towards a peaceful solution in line with the road map. They also work together in crisis management, Darfur in the Sudan being one example.

It became apparent at the recent EU-US summit on 26 June how strong, deep-rooted and significant the relationship between the European Union and the United States is. This summit was an outstanding opportunity to draw up a forward-looking agenda, and, as you know, was the occasion for the adoption of seven joint declarations on the main priorities for cooperation between the EU and the United States. The Council's priority is to concentrate on purposefully following up these declarations. As regards cooperation between the EU and the USA in the field of development aid, the EU, in its capacity as donor, is given the opportunity at tripartite meetings to raise issues relating to support. The EU's development policy is framed by poverty reduction, the Millennium Development Goals and agreements on development funding. The EU is open to further discussions with the USA relating to these projects.

Rübig (PPE-DE). – (DE) Mr President-in-Office of the Council, relations with the United States are also a factor in many international agreements, for example the Kyoto Protocol, which has not been signed by the United States.

Do you believe it would be possible for us to conduct negotiations with the United States, with the aim of still reaching an agreement on the Kyoto Protocol? The principle would be to strive for common legislation on both sides of the Atlantic.

Nicolai, Council. (NL) Mr President, the subject of Kyoto has of course been discussed with the United States. When discussing Kyoto and the matter of its ratification a moment ago, I stated how we in the Council were handling it and, to be specific, I also stated that the member of the Dutch Presidency concerned is engaged in dialogue, including with the United States.

President. As the time allotted to Question Time has elapsed, Questions Nos 7 to 23 will be answered in writing.⁽³⁾

That concludes Question Time.

(The sitting was suspended at 7.10 p.m.)⁽⁴⁾

(3) See Annex 'Question Time'.

(4) Agenda for next sitting; see Minutes.