

## TUESDAY, 24 MARCH 2009

IN THE CHAIR: MRS ROTHE

*Vice-President*

### 1. Opening of the sitting

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

### 2. Documents received: see Minutes

### 3. Green Paper on territorial cohesion and debate on the future reform of the cohesion policy - Regional policy best practice and obstacles to use of Structural Funds - Urban dimension of cohesion policy - Complementarities and coordination of cohesion policy with rural development measures - Implementation of the Structural Funds Regulation 2007-2013: results of negotiations on national cohesion strategies and operational programmes - A European initiative for the development of micro-credit in support of growth and employment (debate)

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

- A6-0083/2009 by Mr van Nistelrooij, on behalf of the Committee on Regional Development, on the Green Paper on territorial cohesion and debate on the future reform of the cohesion policy (2008/2174(INI));

- A6-0095/2009 by Mrs Krehl, on behalf of the Committee on Regional Development, on regional policy best practice and obstacles to use of Structural Funds (2008/2061(INI));

- A6-0031/2009 by Mr Vlasák, on behalf of the Committee on Regional Development, on the urban dimension of cohesion policy in the new programming period (2008/2130(INI));

- A6-0042/2009 by Mr Roszkowski, on behalf of the Committee on Regional Development, on complementarities and coordination of cohesion policy with rural development measures (2008/2100(INI));

- A6-0108/2009 by Mr Mikolášik, on behalf of the Committee on Regional Development, on the implementation of the Structural Funds Regulation 2007-2013: results of negotiations on national cohesion strategies and operational programmes (2008/2183(INI)); and

- A6-0041/2009 by Mr Becsey, on behalf of the Committee on Economic and Monetary Affairs, on a European initiative for the development of micro-credit in support of growth and employment (2008/2122(INI)).

**Lambert van Nistelrooij, rapporteur.** – (NL) Madam President, it is the express wish of Parliament's Committee on Regional Development that there should be a single joint debate at the end of this term on the future of the cohesion policy, but today and tomorrow no less than five important reports by Members of this House are to be debated and also, so close to the European elections, voted on. We are talking about the European Community's biggest budget and the most visible part as far as the citizens are concerned. The cohesion policy has given Europe a face that shows its interconnectedness and solidarity. No other part of the world has generated so much mutual cohesion. Cohesion is once again also a central objective of the new Treaty of Lisbon. It also adds a third component, namely that of territorial cohesion.

Unusual times call for new answers. The financial crisis, tougher competition as a result of globalisation, the climate crisis and the failure, as yet, to achieve the Lisbon objectives demand a more integrated approach, together with a strengthening of, and an improvement drive in, regional policy. We deal with these matters in this Green Paper. This Green Paper is in no way business as usual, but a call for better governance and territorial cohesion that also criticises developments where some regions fly high and there is progress in big-city areas, while other regions are left behind. That is not the Europe that this Parliament expects. In this joint debate today we are therefore also setting the course for the post-2013 period, after the review of the legislation with which we will be beginning the next parliamentary term, after the elections.

I will briefly go over the most important points in this debate and in territorial cohesion. Back in 2005, Mr Guellec set out Parliament's wishes in his report. The new territorial dimension is now set as a permanent objective under Articles 13 and 174 of the new Treaty of Lisbon. As I say, it is an express opposition to an asymmetric Europe made up of some regions expanding at full throttle while more rural areas get left behind. It is the simultaneous unity and diversity of centres of excellence or *pôles d'excellence* and the specific position of other regions and places with their own qualities and multiformity. Territorial cohesion also complements the existing policy of economic and social cohesion. It is an integrated concept. It provides an insight into the effects of sector-based Community and decentralised activity such as research and development, the common agricultural policy, traffic and transport, the job situation and countering climate change.

The concept of territorial cohesion, the consultation of the past six months would seem to suggest, has been broadly subscribed to, and that is to be welcomed. The concept incorporates concentration and at the same time connectivity and cooperation, and it is a concept that we would like to elaborate on over the upcoming period.

**Constanze Angela Krehl, rapporteur.** – (DE) Madam President, Commissioner, ladies and gentlemen, cohesion policy is important for Europe. It is an expression of solidarity. However, cohesion policy is not only needed by those in our society who are supposedly weaker. All our citizens need a policy of solidarity and European integration. This makes things all the more difficult when no use is made of Structural Funds in the regions, of which we have more than 260 in the European Union. This is not because no help is needed, but because the obstacles to obtaining the funds are too hard to overcome. Some of these obstacles are home-made. Of course, it is an important basic requirement that the rules are observed and that controls are put in place to ensure that the money provided by European taxpayers is used correctly. However, this must not result in the application forms and the explanations of how the funding can be obtained being so lengthy and incomprehensible that you need a PhD to understand them.

Therefore, I call in my report for specific measures to reduce the amount of bureaucracy at European level, because we are responsible for this. For example, the system of controls should be simplified, the administrative burden on the projects should be reduced and the size of the projects should be modified. In addition, the project practices should be simplified, clarified and accelerated and made more result-oriented. However, I am convinced that something could also be done in this respect at national and regional level.

The second part of my report concerns best practices in cohesion policy. We must not reinvent the wheel, because this would be neither efficient nor clever. Therefore, we need to find a system for making good examples of projects available for use by others. As there are tens of thousands of cohesion policy projects every year, the trick is to identify, select and provide information about exemplary projects in the regions. In my opinion, the Commission has already made a good start in this area, for example with the RegioStars initiative, but this needs further development.

In some of what I believe are key areas, the report proposes criteria for selecting these projects. The key areas include research and innovation, creating high-quality jobs, support for SMEs, climate projects, integrated urban development and the development of private-public partnership projects, to name but a few. For example, the criteria for selecting best-practice projects could be the quality and sustainability of the projects, the driving force for the regions and for the European Union, the effective use of resources and, of course, transferability to other regions.

There are good examples to be found everywhere. In the appendix to the report I have listed some projects which I have been informed about as a result of the groundwork done in the regions. They come from all the Member States. I would like to mention a few of them here: a centre of excellence for environmental technologies in Slovenia, the Burgenland Mobility Centre in Austria, the 'brain hunt' competition in Estonia, the new building for the Fraunhofer Institute for Cell Therapy and Immunology in Germany, the science park in Granada in Spain and the development of the problem district of East Leipzig in Germany.

Finally, as rapporteur and coordinator of my group, I would like to extend my very warm thanks to my colleagues for their cooperation, not only on this report but also over the last five years. I would also like to thank the Commission, the Committee on Regional Development and all the relevant employees for their cooperation. I hope that we can continue to work together in this way in future.

(Applause)

**Oldřich Vlasák, rapporteur.** – (CS) Commissioner, ladies and gentlemen, I would like to present briefly the report on the urban dimension of cohesion policy. It is a report which examines options and the involvement

of cities in the management and use of European money in the current programming period. It is a report which at the same time provides guidance and offers inspiration on how to adapt the Structural Funds rules so that they better suit the needs of European cities and metropolises. In drafting the report I have relied not only on scientific studies and expert opinions from interest groups such as the European Council of Municipalities and Regions and EUROCITIES, but above all on the direct experience and opinions of mayors, councillors, town hall officials, project managers and everyone else concerned with European funds. One of the inspiring meetings providing us with an opportunity for joint discussions on the urban dimension was an event entitled European Urban Day, which I organised together with partners at the beginning of February in Prague within the framework of the Czech Presidency of the EU. I would like at this point once again to thank Commissioner Hübner, Mr Svoboda and my colleagues Mr Olbrycht, Mr Beaupuy and Mrs Kallenbach for their participation and their active approach.

It is logical that our attention is focused on cities. Cities are home to 80% of the 500 million or so inhabitants of the EU. It is in cities that the great majority of jobs, companies and centres of education are located. Cities generate more than 70% of Europe's VAT. Cities therefore constitute a definite driving force for the economic growth of the whole of Europe, which makes them all the more important in a time of crisis. However, many cities are facing a range of serious problems. Cities and urban areas therefore need special attention within the framework of the cohesion policy.

I would like to emphasise two main ideas from the text of the report. The first is the question of sub-delegation, which means transferring control of European resources to cities. Although European legislation already permits the sub-delegation of resources to cities so that they can allocate them when creating integrated development plans, Member States have made only marginal use of this option. One of the main aims of this report is to support the role of cities in the cohesion process. We must stop regarding cities merely as final recipients and instead view them as entities that administer territories. Just as regions and national civil service bodies hold their own budgets, cities must gain greater responsibility in the area of structural assistance for programming and distributing Structural Funds. The urban dimension must become mandatory.

The second fundamental idea is to really exploit the potential of the financial instrument JESSICA. Cohesion policy has hitherto been based exclusively on a system of subsidies, or in other words, non-returnable grants. The organisations and individuals submitting projects are therefore used to a situation where they receive European money and national budget resources earmarked for cofinancing 'free of charge'. The priority is often drawdown itself rather than an effective investment or an evaluation of available resources. Therefore the subsidy principle sometimes leads to a situation where some of the structural assistance is not used efficiently. In the current programming period we have seen JESSICA implemented to create space for a systematic amendment of the cohesion policy. However, the fact is that not much use has been made of the space. This must change in the next programming period. European policy should make more use of options relating to the use of financial engineering funds such as revolving funds. That is all for now. I would like to thank everyone who assisted me in drafting this report.

**Wojciech Roszkowski, rapporteur.** – (PL) Madam President, the reform of the European Union's structural policy for the period 2007-2013 has brought with it changes to the structure of the Funds and the basis for the allocation of assistance. One important change was the creation of a new European Agricultural Fund for Rural Development linked to the common agricultural policy. Whereas the 2000-2006 Financial Perspective tied rural development funding in with the Structural Funds and cohesion policy, separating it from CAP funding, under the new 2007-2013 Financial Framework they became part of the allocations linked to the CAP. As a consequence of these changes, however, the question arises as to whether this separation has actually led to more effective use of the available funding.

Linking the CAP and rural development funding represents a simplification of the budgetary arrangements in appearance only. In reality, it means the separation of non-agricultural funding from the scope of the cohesion policy and as a result, either the duplication of some objectives, or their omission in both areas. There is a risk that the funding available under the regional policy will be used to a large extent to boost economic competitiveness in larger urban centres or the most dynamic regions, while the rural development fund will be focused on non-agricultural improvement, on improving agricultural competitiveness. In this situation, spending on support for non-agricultural activities and the development of SMEs in rural areas would be at the interface between the two funds and not be covered by either of them.

There could also be a shortage of funding to ensure basic public services and investment in infrastructure in rural areas, to which the Cohesion Fund is also meant to contribute. In this context it is becoming particularly important to come up with a transparent, long-term development strategy for rural areas at Member State

and at regional level, in order to identify clearly rural development priorities and objectives and adapt to them the various sources of funding available. Linking the second pillar to cohesion policy measures would, however, require the close coordination of activities at national level.

What constitutes a rural area has yet to be defined with any precision. Traditionally, rural areas could be differentiated from urban areas through their lower population density, different employment structure, lower level of income and poorer access to public roads. From the point of view of territorial cohesion, which, I repeat, has also not been adequately defined, lower population density should not be the decisive characteristic.

One of the European Union's development aims is to modernise social structures, including employment structures. It is possible to increase territorial cohesion, therefore, by aligning rural and urban employment structures. Level of income and access to public goods, however, remain the biggest challenge to territorial cohesion, and these objectives can be most effectively met by supporting non-agricultural activities in rural areas. Rural development should not, however, drain resources intended for direct payments to farmers.

The difficulty in implementing rural development policy stems from the fact that sectoral policies and territorial cohesion policies overlap, as do the economic and social dimensions, and therefore previous activities have focused on a separation of powers, rather than creating synergies. The aim of coordination should, however, be to create synergies in the use of funds. In the individual Member States, several models exist for the coordination of these activities, and it is currently difficult to claim that a particular country's solution should serve as a model for others. It does appear, though, that political will could be more decisive in terms of ensuring success than this or that organisational arrangement. A suitable solution could therefore be to apply the open method of coordination to this aspect of cooperation at Union level.

However, it should be made clear that rural development policy has a huge impact on territorial cohesion. For this reason, it does not seem justifiable to separate measures under this policy from cohesion and regional development policy. This policy is better able than the CAP to assist with non-agricultural aspects of rural development, such as retraining people for work in other areas of the economy. Nevertheless, including rural development policy within cohesion policy is only possible on the condition that rural development receives adequate funding.

**Miroslav Mikolášik**, *rapporteur*. – Madam President, before we open the debate on the report on the implementation of the Structural Funds Regulation 2007-2013, allow me to seize this opportunity to thank the Commission for the concrete communication paper and the country fiches as a solid base on which to work. I would especially like to thank those who worked with me on the report, especially our EPP-ED adviser, Ms Stoian, and our committee administrator, Mr Chopin, who both devoted long hours to this report.

Let me briefly recapitulate on the making of this report, which obtained, with just a few compromises, the full support of the Committee on Regional Development just last month. As you may already know, the aim of this report is to show the way in which the Member States understood and follow the 2006 Community strategic guidelines on cohesion when drawing up their 27 national strategic reference frameworks and 429 operational programmes adapted to meet their specific constraints and requirements.

I have therefore decided to base this report on three main documents: firstly, the communication from the Commission; secondly, the 27 country fiches provided by the Commission and, thirdly, the Council decision of 2006 on Community strategic guidelines on cohesion, which represents an indicative framework for the Member States for the preparation of the national strategic reference frameworks and the operational programmes for the period 2007-2013.

The three leading priorities that were clearly set by the aforementioned Council decision are: firstly, making Europe and its regions more attractive places in which to invest and work; the second priority is to improve knowledge and innovation for growth; and the third priority is to attract more people into employment or entrepreneurial activity in order to create more and better jobs.

Before I share what I have observed while working on this report, it is important to underline that its scope is partly limited by the fact that the operational programmes were only approved in June 2008 and it will take at least a year before any real advances in their implementation can be assessed. Nevertheless, I can already assess that the general priorities have been adhered to by all Member States, with specific particularities imposed by their level of economic and territorial development.

It is also important to note that they might suffer certain changes in the sense of the increasing focus on investments in areas with immediate growth potential and urgency in the context of the European economic recovery plan, the Community response to the global financial crisis, and the current economic slowdown. In other words, it is important to remember that each Member State, and even more so the regions, have diverse needs arising from their geographical location and economic and institutional development. Therefore, the resulting tailor-made national cohesion strategies in the operational programme undoubtedly vary significantly according to these needs.

It is known that Member States were required by the general regulations of the European Regional Development Fund, the European Social Fund and the Cohesion Fund to earmark 60% of the total expenditure for the cohesion objective and 75% for the regional competitiveness and employment objective. However, I am pleased to see that the efforts made by the national authorities have ensured that the average allocation of expenditure for achievement of the Lisbon Agenda constitutes 65% – more than the available funds in the convergence regions – and 82% in the regional competitiveness and employment regions, which is also more than initially requested.

I see my time is up. I had much more prepared. I will finish at the end of this debate.

**Zsolt László Becsey**, *rapporteur*. – (HU) After several postponements, we have finally reached a big day. I wish to express my gratitude that the Commission addressed the topic of micro-credit in a separate report back in November 2007, although it is also true that Parliament had already requested that summer that we work on this subject. I also approve of the fact that this debate is being coordinated by the member of the Commission responsible for cohesion, for as we know, previously it was mooted that the Commissioner for financial affairs should coordinate it; but the goal is that Community tools should truly reflect the perspectives of cohesion.

I regret, however, that the Commission's materials did not extend to legislative tasks or include legislative proposals; therefore, the report of the Committee on Economic and Monetary Affairs invoked the strongest possible measure, namely Article 39, and asked that concrete legal measures or organisational and financial steps be taken by the Commission in five different areas.

I would like to take this opportunity to express my gratitude to my shadow rapporteur, Mrs De Vits, to my colleague, Mrs Baeva, and to Mrs Ambruster of the Secretariat, for their enthusiastic work.

Why is micro-credit important? On the one hand, we would like to include in the national Lisbon action programmes the obligation of Member States to report regularly on their progress in this area. Only that which is obligatory yields results.

On the other hand, and this is the greatest merit of the Commissioner's approach, we wish to include new social segments in the sphere of economic activities. To this end, we need to launch a form of credit that helps persons with modest skills, who lack the collateral or real estate coverage required for traditional small business credit, to enter the labour market. Involving these new segments in the labour market will be indispensable for sustainable development and for attaining the 70% legal employment rate.

But how should we approach these layers of society? On the one hand, as my report also mentions, we need to move beyond the tendency to look at those in difficulty as a single group. We need to define disadvantaged groups more precisely: these include migrants in western countries, Roma in eastern areas, people living in rural areas or encampments and, generally speaking, women.

Yet these people cannot be reached in the tried and true manner, directly through the traditional networks of commercial banks, because these target groups are suspicious of the above instruments, and as already mentioned, they are not able to enter the free market. Therefore, inspired by the Asian example transposed to Europe, loans need to be made in small circles, having gained their confidence, basing the credit more on trust than on collateral. The intermediary organisation plays an important role in this system, of course, and this organisation must be able to carry on these activities even if it does not have a banking licence. We have succeeded in achieving this in certain Member States, but it is not yet the case everywhere, and therefore we need to involve non-bank organisations, including financial institutions that are close to the population and outside the securitisation market.

The question of an interest-rate cap has come up, and it is our opinion that although credit is expensive, the most important consideration is nonetheless a steady stream of liquidity for those using the system. For this reason I do not support introducing an interest-rate cap. Here we need to distinguish between consumer credit and micro-credit, for the two should not be confused.

It is important, moreover, to create incentives at national level, so that people should want to become micro-entrepreneurs with the help of micro-credit rather than collecting unemployment benefit. We need to show solidarity in the struggle against terrorism and the fight against money-laundering as well, for it is precisely by means of a mentorship system that we can somehow overcome the problems of a lack of permanent address or of a bank account, and the lack of start-up capital.

**Danuta Hübner**, *Member of the Commission*. – Madam President, firstly I would like to thank wholeheartedly Lambert van Nistelrooij, Constanze Krehl, Oldřich Vlasák, Wojciech Roszkowski, Miroslav Mikolášik and Zsolt László Becsey for the opportunity generated for us to have this discussion today. It is a discussion that will certainly contribute to the debate on the future cohesion policy.

We are in the middle of that debate, as you know, and there are many very specific recommendations in your reports, which I will take as important inputs into this debate on the future cohesion policy, while there are also several major messages that cut across all the reports.

The first is that cohesion policy is, and should remain, a central pillar for achieving the European Union's sustainable development goals. That commitment will remain even more relevant in the post-crisis period, when generating green-collar jobs will be the European pass to sustainable employment.

There is also another clear message in all the reports, which is that cohesion policy should cover all the European territory, while the focus of cohesion policy should clearly remain on supporting the catch-up process of the poorest. I share your view on the importance of delivering European public goods in all regions. The crisis makes that message even more relevant. Many regions are looking these days at new ways and means of adapting to rapid global changes and avoiding the risk of falling behind. By mobilising under-utilised resources and exploiting comparative advantages, cohesion policy aims to ensure that all European regions, be they lagging behind or not, contribute to overall economic growth and change and to the creation of sustainable jobs, and that all citizens can benefit from the internal market.

We also share the conviction that geography matters in Europe, and this is one of the main reasons we launched the green paper on territorial cohesion. I am very pleased to see that you understand territorial cohesion in a way that is close to my heart, which is that territorial cohesion is first of all about mobilising the development potential of all the different territories. Regional policy is a development policy that helps citizens and enterprises unlock the inherent potentials of the places in which they live and work.

I agree with you on the need to improve synergies and coordination between all European and national policies with a territorial impact. Here, the challenge is for territorial cohesion to be taken into account upfront when designing policies, and not to be seen as a tool to repair the damage once it has been done. This means, among other things, that we need to invest more in linking the regions that are lagging behind with the more prosperous ones.

Your message is also clear on the need to strengthen the urban-rural relationship. Faced with the present fragmentation of funds, it also means that we need to understand better how to streamline the rules and procedures for all the funds with respect to eligible expenditure, management, monitoring, reporting and financial management obligations.

There is a need for greater flexibility when delineating the territories in which cohesion policy programmes are designed and implemented. In other words, we need to target the policy at functional areas. We need, for example, to look sometimes inside cities at neighbourhood level, and sometimes beyond the boundaries of the cities, at metropolitan level.

This functional or flexible geography does not stop at national borders, and cooperation across national borders is of clear European added value and importance for citizens. There are still barriers in the European internal market, and significant untapped potential in cross-border labour markets and transnational clusters. The Baltic Sea Strategy, which we are preparing now, is a good example of what we mean by a functional area. I see this as a test case for territorial cohesion, which could then be extended to other macro-regions. We are working on this.

All the reports underline the need for cohesion policy to respond to new challenges such as demography, energy, climate and globalisation. All European regions will be affected by those new challenges, but their impact will vary significantly across Europe, often resulting in losses of competitiveness, employment and social cohesion. This might consolidate existing disparities and create new ones, but these challenges can also be turned into opportunities. To achieve this we need to continue emphasising cohesion policy investment in research and development, and innovation in developing a knowledge-based economy and in promoting

entrepreneurship and business support services. These are key factors for boosting the sustainable competitiveness of the European economy and for generating sustainable jobs and growth. They are at the heart of cohesion policy and have a strong territorial dimension, which requires tailor-made solutions and policy support.

To render the management of cohesion policy programmes more efficient – and this is our common concern – there is a need to reinforce inter-regional exchanges of experience and of good practice. Good governance practice must be disseminated rapidly across Europe. This may help also to overcome difficulties in implementing cohesion programmes. I share your view that we must continue to reform policy delivery.

You call for fostering the effort devoted to so-called ‘financial engineering’ as a means of tapping the potential of the private sector. As you well know, in an important cultural shift, we have decided to complement a traditional ground-based approach with new tools.

Your support for our micro-credit initiative is good news, and I thank you very much for this. I am convinced that developing micro-credit schemes is crucial for the sustainable development and competitiveness of European regions and cities. It requires action to be taken at all levels. We will look into ways and means of reinforcing this instrument in the future.

You call also for a strengthening of the fundamental principles of cohesion policy, such as partnership, multi-level governance and transparency, and I fully endorse that call. By building on local knowledge, by involving all the relevant actors on the ground and by improving the visibility of the European cohesion policy, we will certainly enhance the impact and the quality of European cohesion investment.

Once again, my thanks for your continuous efforts to render cohesion policy more effective and more efficient in the future.

**Gary Titley**, *rapporteur for the opinion of the Committee on Budgets*. – Madam President, I would just like to focus on the microcredit issue, which the Committee on Budgets completely supports as it will help people without access to normal sources of funds – the very sort of people who need help in the current environment. We also welcome the Commission’s JASMINE initiative.

However, there are certain considerations that we want to state. Firstly, funds should only be used where other sources are not appropriate, owing either to high risk or low profitability. Secondly, they must also be used to bring in private finance. Thirdly, because of different approaches from different Member States, we would like to look at whether it is feasible to have an EU framework for non-bank microfinance institutions. We would also like to look at whether interest-rate caps, which are used in some countries, are appropriate in these circumstances.

In the longer term, we would like to get beyond the use of structural funds for this important initiative, because some of the people who need help are not in the areas that have support from the structural funds.

**Nathalie Griesbeck**, *draftsman of the opinion of the Committee on Budgets*. – (FR) Madam President, Mrs Hübner, today we are looking at five very important documents on cohesion policy, which, I would remind you, has for some months now been the main item in our budget. In this way we are of course already sending a strong signal to the future renewed institutions: to Parliament, naturally, but also to the Commission.

It goes without saying that cohesion tools, and above all the funds, must represent real European added value for our fellow citizens, but today, in the context of the severe crisis hitting Europe, they must be more responsive and more adapted to urban situations in particular. I especially welcome the work that has been done on the plan for housing assistance, since housing is the second priority for citizens, after jobs.

In fact, it is not always a question of money, as the funds are there, but of what I might call a ‘structural’ slow pace – sometimes in State management, sometimes in administrative inertia and sometimes, unfortunately, in both – which gets in the way of that impact we are always talking about, which is essential for our regions and our citizens. At its worst, this could even appear counterproductive.

As permanent rapporteur for the Structural Funds within the Committee on Budgets, I would insist now more than ever, in the current crisis, that we should simplify, clarify and give genuine political substance to this European money.

**Atanas Paparizov**, *draftsman of the opinion of the Committee on Industry, Research and Energy*. – (BG) Madam President, as the draftsman representing the Committee on Industry, Research and Energy on the

implementation of the Structural Funds Regulation, I would like to thank Mr Mikolášik for reflecting the basic conclusions and suggestions made by the Committee on Industry, Research and Energy in his report.

First of all, this concerns the efforts of Member States to closely link the use of the funds with the Lisbon Strategy. It is also emphasised at the same time that the resources allocated for energy are extremely inadequate, especially with regard to the resources for renewable sources.

We urge the European Commission once again to increase the amount of resources earmarked for improving the energy efficiency of housing from 3% to at least 5%.

At the same time, the report does not reflect our proposal concerning the projects for capturing carbon dioxide, even though Member States agreed last week to support 12 projects in seven countries, with a value of EUR 1.05 billion.

This is not at all sufficient to resolve the problems in all the Member States which are interested in securing resources by 2012 for implementing such projects. This is why I urge this issue to be taken into account by the Commission in its quest for resources, including the use of funds from the European Investment Bank.

**Neena Gill**, *rapporteur for the opinion of the Committee on Legal Affairs*. – Madam President, small enterprises play an essential part in creating cohesion in the EU, and the extension of microcredit will underpin SMEs' economic recovery.

The Committee on Legal Affairs recognises that establishing a firm can be a daunting process. The EU needs to do more by providing proper legal advice on setting up a business. One way to do this would be to establish a European network of lawyers prepared to give advice on micro-business start-ups, initially on a *pro bono* basis. Urgent efforts are needed to tackle the regulatory burden on micro-businesses and to make micro-finance institutions as accessible as possible.

We need this type of legislation more than ever, but legislation on its own is not enough. The Commission has to make sure this is transformed into real action that can be felt at the ground level immediately, because this report is not just about entrepreneurship: microcredit also delivers social cohesion, and it encourages people to take ownership of their lives and their potential. My congratulations to all the rapporteurs.

**Zita Pleštinšá**, *draftsman of the opinion of the Committee on Women's Rights and Gender Equality*. – (SK) I would like to begin by thanking my colleague Mr Mikolášik, who has incorporated into points 12, 16, 17, 18 and 23 of his report the points from my opinion, which I drew up on behalf of the Committee on Women's Rights and Gender Equality. These points are based on my own experience as a councillor in the town of Chmelnice and on suggestions from voluntary organisations, and I consider them key to the more effective and more transparent drawdown of resources from EU funds.

I firmly believe that the 2007-2013 programming period will not be a success if the Member States do not eliminate the excessive administrative hurdles which put voluntary organisations off requesting funding for projects, especially those that are focused on supporting women in difficult financial circumstances, refugee women, women from ethnic minorities, physically disabled women and women who have been victims of rape or torture.

I would once again like to call on the Member States and especially those that joined the European Union after 1 May 2004, to avoid excessive delays in the reimbursement of costs for completed projects because the insolvency caused by such behaviour often prevents recipients, especially local authorities and voluntary organisations, from continuing with other activities in their areas of operation.

The economic crisis is having an impact even on drawdowns of money from EU funds. The current method of financing projects is particularly unsuitable for small local authorities who have no chance of obtaining project funding. It is therefore essential to discuss and adopt measures for simplifying the financing system. The representatives of local authorities in my own country, Slovakia, insist that if the current legislation is not amended they will be drawing down far less money from European Structural Funds than previously. The absence of effective, simple and straightforward support for small local authorities is a very serious matter and I therefore believe that this report will help in the drawdown of Structural Funds.

**Emmanouil Angelakas**, *on behalf of the PPE-DE Group*. – (EL) Madam President, Commissioner, ladies and gentlemen, all six reports which we are debating are important in that they reflect the present situation in terms of regional policy and describe the model and priorities for the period after 2013.



Congratulations to all the rapporteurs on their work. I should like to comment in particular on the report by Mrs Krehl on best practice in the field of regional policy, for which I was the rapporteur for the Group of the European People's Party (Christian Democrats) and European Democrats, and underline the very good work by my fellow Member.

This report presents the basic obstacles to the correct use of the Structural Funds and how they can be overcome, using a series of criteria to classify certain projects and actions as best practice and referring to the lack of a commonly acceptable definition of best practice.

When talking of best practice, I consider it extremely important that amendments were included in the report such as:

- the need to strengthen small and medium-sized enterprises and to link regional policy with industry and science;
- measures to retain the population, especially the young generation, in their regions and to provide care for working parents; and
- the smooth integration of immigrants.

At the same time, when we talk of best practice in regional policy, we need to take account of:

- firstly, the existence of geographical and demographic peculiarities in regions;
- secondly, the lack of uniformity as regards the regional models of organisation of the Member States;
- thirdly, the need to divide best practice criteria into mandatory and optional criteria; and
- fourthly, the need to take account of successful methods already being applied so that they can be defined as best practice.

Two words on the report by Mr van Nistelrooij on the Green Paper, to highlight the good work he has done and to point out that the rapporteur rightly stresses the need for public consultation, so that we can find a commonly acceptable definition of territorial cohesion, and the need to approach areas with special characteristics in such a way that territorial cohesion also covers these areas in the best possible way.

**Iratxe García Pérez**, *on behalf of the PSE Group*. – (ES) Madam President, I want to start by thanking the various rapporteurs for their work, particularly Mrs Krehl and Mr van Nistelrooij. They enabled a broad consensus to be achieved within our committee. We must also welcome the European Commission's Green Paper on Territorial Cohesion, which puts some important issues on the table.

Firstly, cohesion policy is important as an instrument for ensuring the balanced development of the European Union, with any attempt to re-nationalise these policies being rejected. The new concept of territorial cohesion is included, which is why a consultation process was started – which is now about to end – that must be taken into account. It has been adapted to the new challenges, such as the effects of globalisation, climate change and demographic changes.

The figures from the latest cohesion report show us that, although the differences between regions are diminishing, thus fulfilling the principle of convergence, we must now tackle another issue, which is the persistence of intraregional differences. As a result, when determining the eligibility criteria for funding, we must consider the possibility of taking certain aspects into account other than purely per capita income.

In addition, with regard to including the 'territorial' concept, we must be aware of the need to take account of the specific features of certain regions, such as their geographical disadvantages, their outermost position or the depopulation processes in certain regions.

Cohesion is one of the most obvious successes of the European project. Spain has been a clear example of this, given the economic and social development that it has experienced. This is the path along which we must continue in order to guarantee equal opportunities for all Europeans, regardless of where they live.

The European Union is made up of a wide range of regions, with differences that enrich them and give meaning to this project. However, if we have to insist on something with regard to cohesion policy, it must be on the need to give our regions all the tools to ensure that they have equal opportunities to access development and growth.

**Grażyna Staniszevska**, *on behalf of the ALDE Group*. – (PL) Madam President, I would like to comment on two reports in particular: the report on territorial cohesion and that on the exchange of good practice. My colleagues from the ALDE Group will deal with the other items.

Mr van Nistelrooij's report responds to the Green Paper on territorial cohesion published by the Commission. We all agree that the debate started on the future cohesion policy should be supplemented by the territorial dimension. However, we have a paradox: we are discussing territorial cohesion without defining what it means.

We want the territorial dimension to help achieve a more balanced development than it has done to date, so that all citizens of the European Union have the opportunity of equal access to services in particular. However, to date we lack a precise set of criteria to which we can refer. Yet this is of fundamental significance for the future. The discussion on territorial cohesion in the European Union no longer makes any sense if we do not draft a cohesive definition.

Achieving territorial cohesion means ensuring the best possible development for the entire territory of the Community, and improving the lives of its inhabitants. As stated in the report, the aim of territorial cohesion should be above all to even out the disparities in the level of development of individual regions and Member States, and in particular to eliminate the growing disparities within regions and countries.

The more the gap between individual states is reduced, the greater the internal differentiation. Most investments and funding are accumulated in the national and regional capitals at the expense of the other territories, and Member States cannot or do not wish to counteract this. In this situation, it is necessary to create mechanisms at Community level that will effectively stimulate a more even and sustainable development.

In my view, we should scrutinise the statistical data for NUTS3, and not just NUTS2. The NUTS3 data show up the problem far more clearly. We should take this into account when allocating funding. The process of achieving territorial cohesion must be carried out at all levels: European, national and regional, taking into account the principle of subsidiarity.

Exchanging good practice is particularly important. The effectiveness of cohesion policy depends to a great extent on simplifying procedures, and in particular on becoming familiar with the opportunities provided by the most effective solutions used elsewhere.

**Mieczysław Edmund Janowski**, *on behalf of the UEN Group*. – (PL) Madam President, our debate concerns regional development and cohesion policy, which are important issues for the entire Community. That is because at present the disparity in wealth between the regions is huge, even exceeding a disparity of 10:1. It is therefore in the interests of the European Union's citizens that all opportunities should be used to show the actual solidarity of Europeans.

That does not in any way mean that everyone should get exactly the same. It should mean that everyone is given an equal opportunity. It should apply to the residents of urban agglomerations as well as those living in rural areas, people living in the centre of Europe as well as those on the peripheries, the younger generation as well as elderly people. We need to show innovation in doing this, with a view both to the present and to the future.

Today we have six very good reports before us. It is a pity that we are discussing them all in one go. I congratulate the authors. I would very much like our activities to serve this true European Community, this unity, and every euro to be spent for a good purpose, not for the wealthy to become even wealthier ...

*(The President cut off the speaker)*

**Elisabeth Schroedter**, *on behalf of the Verts/ALE Group*. – (DE) Madam President, Commissioner, ladies and gentlemen, in your speech today, Commissioner, you mentioned the contribution made by the cohesion policy to climate protection. I welcome this change of heart, because there is no emphasis on this in the Green Paper on territorial cohesion. Why not, given the climate crisis that we are currently facing?

The contribution of the European Structural Funds to environmental transformation is a future issue for territorial cohesion. The 'Regions 2020' document produced by the Commission shows that climate change has had a massive impact on many of Europe's regions. As a result, we must change course. The Structural Funds should be used only to support sustainable projects. Projects and programmes which cause damage to the climate, and many of these have been approved in the past, should no longer be authorised. EU funds

should not be used to promote programmes and projects which damage the climate. Why are you not taking this approach already?

The second question concerns the implementation of the partnership principle. Commissioner, you mentioned that local knowledge is an important foundation for successful development. Why have you nevertheless approved operational programmes where the partnership principle is clearly being completely disregarded and where the partners have reported that they were not involved? You have not answered this question. Local, grass-roots knowledge is an asset for us. If you continue to attempt to ignore the fact that Member States are completely disregarding the partnership principle and to provide them with subsidies despite this, you will be breaching the Structural Funds Regulation.

You completely fail to mention in your report, which forms the basis for the Mikolášik report, that many Member States have not followed the partnership principle. You have not taken the partners' reports into account. Why do you remain silent on this subject?

It is clear at this point that we need a new dimension for the Structural Funds. They must be based on environmental and democratic principles, make use of local knowledge and follow the partnership principle.

**Pedro Guerreiro**, *on behalf of the GUE/NGL Group.* – (PT) Let us be clear: the Treaties state that, in order to promote its overall harmonious development, the Community shall develop and pursue its actions leading to the strengthening of its economic and social cohesion, by aiming to reduce disparities between the levels of development of the various regions and the backwardness of the least favoured regions or islands, including rural areas.

As a result, in this debate on the future of cohesion policy, to which the so-called territorial cohesion dimension is to be added, the following essential principles must be underlined.

Firstly, the primary and principal objective of structural policy must be to promote real convergence, by acting as an instrument of redistribution with regard to the costs, inequalities and asymmetries caused by the internal market, by Economic and Monetary Union and by the liberalisation of world trade, for those countries and regions in the European Union which are economically less developed.

Secondly, so-called competitiveness cannot be a substitute for convergence in those Member States and regions which are lagging behind in their socio-economic development. As a result, cohesion policy and its associated financial resources must not be subordinated to the competition and liberalisation advocated by the Lisbon Strategy.

Thirdly, so-called territorial cohesion must contribute to economic and social cohesion. In other words, its central objective must be to reduce disparities between the levels of economic development of the various regions and the backwardness of the least favoured regions.

Fourthly, new objectives and priorities must be matched by new Community financial resources. In other words, so-called territorial cohesion must not be funded to the detriment of the Convergence objective.

Fifthly, the current Community financial resources for cohesion policy are insufficient to meet the needs of real convergence and to respond to the regional disparities, high levels of unemployment, income differences and poverty in the European Union.

Sixthly, boosting the Community budget in order to promote economic and social cohesion is absolutely essential.

Seventhly, land management and planning are the responsibility of each Member State.

Lastly, in addition to other important aspects that we have not highlighted here, we would reaffirm that it is unacceptable for regions to be financially harmed by the so-called statistical effect, which is why measures cancelling out this effect must be adopted.

**Peter Baco (NI).** – (SK) The discussion on coordinating cohesion policy and measures for developing rural areas is full of contradictions. The main cause is a fundamental reduction in the budget for rural development which makes it impossible to achieve the original aims of rural policy. This happened during the UK Presidency. The greatest price for this, however, will be paid by rural areas in the most backward regions of the new Member States. The common agricultural policy has thus become, along with discrimination in direct payments, an instrument for the two-speed development of rural areas and, indirectly, of the regions as well.

Actual development indeed clearly shows how absurd it is to believe that rural areas with declining agriculture can be developed. We will never achieve the revitalisation of backward regions in the EU if we fail to ensure the development of rural areas within the original budgetary framework. Rural development cannot be implemented through sudden *ad hoc* decisions, but must be based on a long-term plan. However, we are lacking such a plan. Reinstatement of the rural development budget is thus also becoming a key condition for the entire cohesion policy.

**James Nicholson (PPE-DE).** - Madam President, first of all I would like to thank the rapporteurs for all these excellent reports and especially the one I shadowed. I thank the rapporteur for his good cooperation and hard work. It was not the easiest of reports to draft, but we managed to find good compromises on the key points. I welcome the fact that we are having this debate now.

Rural development is a very important issue and we must ensure that all available EU funding for rural development is being exploited and used in the most effective and efficient manner. In my opinion, rural development is about supporting active farming communities, especially young farmers and farmers who wish to diversify their businesses. Proper business projects in rural areas should be focusing on improving infrastructure and supporting small and medium-sized enterprises.

The central focus of this report is about ensuring that rural development projects, whether funded by the structural funds or the ERDF, do not overlap or, at worst, miss out on opportunities. What is clear from this report is that better coordination between regional development policy and the ERDF is needed.

I do not feel, however, that I can support a situation where funds are raised via modulation for redistribution back through the regional development authority. If farmers are being asked to pay into the CAP then they must ensure that their monies come back into the rural communities. I believe this must be active through the second pillar of the CAP. However, the rapporteur has successfully opened up a debate on this relevant topical issue. I agree with him on the main focuses of this report, but this will be a problem for the next Parliament to decide.

**Lidia Joanna Geringer de Oedenberg (PSE).** - (PL) Madam President, the two most recent accessions to the European Union have resulted in a significant exacerbation of regional disproportions within the Community. The result is an increasingly distinct phenomenon of 'spatial segregation', resulting in isolated regional enclaves, particularly areas remote from the centres of development, which are mainly rural areas.

Environmentally friendly sustainable economic development and reducing regional disparities are the overriding aim of European regional policy. In October 2006, the Council adopted strategic guidelines on cohesion to act as reference points for the Member States in drafting their national strategic reference frameworks and operational programmes for 2007-2013.

The priorities set out in these documents make Europe and the regions more attractive in terms of investment and jobs, increase the level of knowledge and innovation for growth and create more jobs of better quality. Implementing these priorities in operational programmes should allow the regions to tackle the challenges of globalisation, structural, demographic and climate change, and boost the harmonious, long-term sustainable development of the regions.

We should acknowledge the fact that all Member States have already made efforts to include priorities conforming with the aims of the Lisbon Strategy in their operational programmes. However, the excessively slow absorption of funds from the new programming period which we have observed in many Member States may threaten their effective utilisation.

It is therefore extremely important, particularly for the new Member States, to consolidate actions to assist the capacity for the real take-up of available funds, both in the way these funds are utilised, and by exchanging best practice, information campaigns, exchange of new technology and the development of various types of partnership, in such a way as to allow the programme requirements to be transformed into actual, quality programmes for the effective elimination of delays in development, which are a particular problem in the poorest regions of the EU.

**Elspeth Attwooll (ALDE).** - Madam President, I speak on the van Nistelrooij report and to emphasise three points.

First, that territorial cohesion involves promoting polycentric development across the European Union. This means eliminating disparities within, as well as between, regions. There is consequently a need for improved

spatial analysis and the development of indicators against which policies can be designed and their impact assessed.

Second, there must be an integrated approach, with measurement in advance of the effect that sectoral policies would have at regional levels and the achievement of greater synergy between them. Certainly, such impact assessment could pre-empt certain problems, such as those posed by the electronic identification of sheep in Scotland.

Third, an integrated approach demands proper multilevel governance, involving all stakeholders in the design and implementation of strategies.

What the Commissioner has said in these respects has been very welcome, and I hope for great support for this excellent report.

**Giovanni Robusti (UEN).** – (IT) Mr President, ladies and gentlemen, the Roszkowski report highlights the disparities between the various rural areas and between these and urban areas in terms of management of the Structural Funds. The rapporteur rightly points to the need to re-establish some consistency between the ERDF and the EAFRD, even though he should perhaps have been clearer about the meaning of the term ‘open coordination’, which conflicts with the obvious disparities that exist and the areas of national competences.

A higher degree of consistency requires transparency in relation to data and payments. Knowing how resources are distributed is an essential tool for highlighting and correcting distortions. However, we are lacking such transparency. In practice we are witnessing the most varied of activities being performed for the purposes of hiding data, denying access and concealing information, and all this is on the part of public bodies and our very own national governments. The Commission is saying that it does not have competence, and everything is becoming vague and unclear. We are saying that we are facing a wall of silence.

If we do not resolve this problem, then we will be even more detached from the real problems that the Structural Funds should be resolving.

**Gisela Kallenbach (Verts/ALE).** – (DE) Madam President, Commissioner, ladies and gentlemen, I very much welcome the fact that we are having a timely political debate on the basis of initiative reports which will allow us to use our instrument of solidarity in a more targeted and efficient way by 2014 at the latest. It is also very important to me to inform the citizens of Europe about the European added value that this will offer.

Therefore, it is logical for us to reject all attempts to renationalise the structural policy. More than ever we need a standard Community policy which is able to meet the challenges we are currently facing, such as globalisation, climate change and demographic change. Whether we have been successful or whether we are deluding ourselves with the budgetary commitment for the Lisbon Strategy will hopefully become clear at the latest when the required analysis has been carried out.

We have come to a fork in the road where we must decide whether or not territorial cohesion and true sustainable development are the symbols of European policy. In order to make this decision we need a large number of partners, in particular cities. For this reason, we also want to see global grants going directly to these partners, not only on paper, but also in practice. However much we value subsidiarity, European funds must be allocated on the basis of binding criteria. Alongside the importance of the urban dimension, these must include an integrated approach and the implementation of our climate objectives. We have already come to a consensus on this. Unfortunately, this was not the case in the vote of the Committee on Regional Development.

One other thought: according to the Commission's Economic Recovery Plan, the allocation of Structural Funds should be simplified and accelerated. It is not yet clear to me why we needed a crisis in order for this to happen, but it is a hopeful sign. If the comprehensive analysis of the best practice projects really forms part of the political discussion, there should be no further obstacles to Europe playing a pioneering role in the development of a truly sustainable policy.

I would like to thank all the rapporteurs for their hard work.

**Georgios Toussas (GUE/NGL).** – (EL) Madam President, the myth of convergence and cohesion between the countries and regions of the European Union is being demolished by reality itself:

- economic and social inequalities are constantly increasing;
- artificial statistical convergences caused by the accession of the new Member States cannot deceive the workers, farmers, young people and women, who see their standard of living constantly deteriorating;
- regional development within capitalist frameworks cannot remove class conflicts in the system;
- unequal development is inherent in the capitalist method of production, because the incentive for any development process is the maximisation of capital;
- national cohesion tactics and the operational programmes of the NSRF 2007-2013, like previous programmes, have a specific class orientation: they obey the anti-grassroots approach of the Lisbon Strategy and are adapted to national reform programmes; in other words, they promote capitalist restructurings and more flexible contracts of employment.

Thus the European Union and the bourgeois governments are serving the needs of capital, both for the period of the capitalist crisis, by shifting the entire burden onto the working class, onto the workers, and with the obvious objective of making these anti-labour measures permanent, in order to safeguard and increase the profits of the monopolies in the future as well.

The new relevant factor which has been added to the scope of cohesion policy is the concept of territorial cohesion and, more importantly, the Green Paper on it. The reactionary character of the guidelines in the Commission proposal goes beyond the framework of the positions and competences of the European Union included in the Treaty of Lisbon, as the Euro-Constitution is now called, and this is an insult to the peoples in the Member States.

The Green Paper on territorial cohesion sets as immediate sectors the charge by the monopolies into health, education, energy and other services, the fundamental element being that of access to the transport networks above all.

The Greek Communist Party is categorically opposed to and rejects in its entirety the reactionary framework of the Commission's proposal on territorial cohesion.

**Kathy Sinnott (IND/DEM).** - Madam President, cohesion policy in all its forms is meant to be the engine of equality, and it has had many successes. However, cohesion policy should be considered in the light of a long-term assessment of its overall effect. In such an assessment, the question is simple: are communities and the people who live in them better off because of EU cohesion policies and the structural funds that support them? With an honest look at the record, one would probably find that the immediate answer is 'yes', but that in the long term it is too often 'no'.

We are told that farmers in Ireland did well – and that is true. But why then, in the long term, are there so few farmers left and so many unemployed and under-employed in Irish rural areas? Was it that the structural funds and cohesion policy were no match for the CAP? Or that they could not mitigate the common fisheries policy, which, over three and a half decades, decimated Irish coastal communities and fish stocks in Irish waters? And why, with better roads and infrastructure – courtesy of EU funds – is Limerick in the south-west of Ireland becoming an employment black spot? Is it because cohesion policy has nothing to say in response to competition policy, which allows a new Member State to entice away Dell, a keystone industry in the area, with EUR 54 million in state aid?

Cohesion policy strives for equality, yet privatising directives, such as the Postal Directive, have had the effect of further eliminating services to poorly serviced areas. The problem may be that our cohesion policy has no cohesion with other EU policies, like competition, market liberalisation etc.

The secret is that cohesion does not come from policies: it comes from basic unifying principles that should run through every policy – principles of respect for the human person, real subsidiarity, priority of the vulnerable, respect for life, stewardship of creation, the importance of family, the dignity of work, solidarity and a central focus on the common good. Until all EU policies are guided by these principles, programmes will continue to conflict.

*(The President cut off the speaker)*

**Carl Lang (NI).** – (FR) Madam President, between 2007 and 2013, cohesion policy will be the main item of expenditure for the Europe of Brussels, but far from benefiting the French regions, this development actually penalises them. The increase in regional expenditure is in fact made at the expense of the common agricultural

policy, and therefore at the expense of France. We can see that the share allocated to the French regions is continually shrinking. The vast majority of the EUR 347 billion in Structural Funds is to be given to Eastern Europe, destroyed by more than 40 years of communism.

Already in the year 2000, Brussels withdrew the Structural Funds granted under the former Objective I from the cantons of France's Hainaut region. Today France, which contributes 16% of European budget revenue, is giving more and more but receiving less and less.

What is more, this regional aid has not protected those affected by the world economic crisis because it forms part of the ultra-liberal philosophy of the Lisbon Strategy. Now more than ever, we need to build a new Europe that will at last provide economic protection for our regions and our nations through an active policy of reassuming control of our internal market.

**Markus Pieper (PPE-DE).** – (DE) Madam President, ladies and gentlemen, I am happy to take this opportunity to consider the Roszkowski report in more detail.

Both policy areas covered by the report – the Structural Funds and the support for rural areas – seem to be working well. However, I have the impression that in some cases both of these policies have identical objectives. In the areas of demographics, energy and telecommunications, we find projects funded both by the Structural Funds and by the rural development policy, which are working towards the same goals, but are the responsibility of different ministries. We have a large number of European projects, but do we also have projects which provide European added value? My impression is that there is sometimes a failure to see the big picture.

If we were to link together projects across the different departments, we would be able to achieve much more for the rural areas, such as decentralised energy infrastructures, broadband cabling over a much larger area and cross-border water infrastructures. We need more projects which are supported by several ministries at once. If this happens, we will no longer be working on a small scale, but instead we will be able to introduce permanent improvements in the regions using European funding. We must make the European requirements for cross-departmental cooperation binding. Perhaps we should even seriously consider setting a minimum project amount.

One more comment on financing: in my opinion, modulation is not a nice word. It takes away the compensation payments which have been promised to farmers, without providing the rural development programmes with reliable funding. For this reason, agricultural policy must in future be a policy for farmers with clear financial commitments and no transfer of funds elsewhere. In the same way, regional policy must be a policy for the regions, with a particular focus on rural regions and their requirements. This will result in true European initiatives which will improve our regions in the long term.

**Evgeni Kirilov (PSE).** – (BG) Madam President, Commissioner, ladies and gentlemen, during today's debate it appears to be the general consensus again that the cohesion policy is a necessary and useful policy.

Those of us who support it want it to continue to evolve and yield positive results. This is why I believe that it is important for us to abide by one fundamental requirement: the cohesion policy must be accessible to those whom it is intended for and who need it, specifically, the regions and territories which are lagging behind and encountering difficulties in their socio-economic development.

Mrs Krehl's report lists a number of obstacles facing potential users of the aid from the Structural Funds. These obstacles, which are due to bureaucratic difficulties and complex, vague procedures, lead to mistakes. This discourages the beneficiaries and fuels criticism from the inspection bodies.

To be able to tackle this two-pronged challenge, we need, on the one hand, to collaborate with all institutions and Member States and, on the other hand, I want to call for us to make use of the acquired experience and focus more attention on the positive results when we are looking for ideas on how to overcome the obstacles.

In this respect, the proposals which we are making in Mrs Krehl's report on best practices provide a solid basis for the subsequent measures and actions aimed at simplifying the rules and improving the exchange of information and communication when using the Structural Funds. The European Commission and the governing bodies are again called on to play a key role, but they obviously need to know that they have the European Parliament's support.

Mr van Nistelrooij stressed that the cohesion policy is an expression of solidarity. It remains for us to work hard to ensure that our citizens can tangibly feel that they are benefiting from the results of this solidarity.

The ultimate aim of the cohesion policy must be to provide equal opportunities to all European citizens, no matter where they live.

**Jean Marie Beaupuy (ALDE).** – (FR) Madam President, Mrs Hübner, over the last 30 years we have witnessed the benefits of the different cohesion policies we have pursued. We must emphasise these benefits during the upcoming elections, since they are of clear interest to citizens who have seen their quality of life triple in some cases, and for regions that, after having been in debt, are now making real headway. So then, the benefits cannot be denied.

Today, moreover, cohesion policy has taken first place as the biggest item in our European budget. The issue posed by these six reports before us this morning, what we want to achieve as MEPs, is to improve the effectiveness of these funds and regulations that we are making available to our fellow citizens.

Mrs Hübner, the Commission holds the key to the effectiveness of these provisions and budgets. How so? Firstly, if I may, Commissioner, because we have a relationship and we know that you will listen to us and ensure that the Commission takes due account of the requests made in these six reports, and I would take this opportunity to congratulate the six Members who drafted them.

Mrs Hübner, these reports provide extremely detailed solutions, whether in terms of the urban environment, rural areas, best practices or future cohesion policy; as you know, they contain very specific examples that will facilitate the Commission's work.

We therefore await the Commission's proposals for specific, European-level solutions, but that is only half the work needed to achieve effectiveness. That is why, Commissioner, we are also asking you to use as much influence as you can at governmental, regional and local-authority level, since these bodies will put into practice our provisions, budgets and regulations, and we will not be effective unless they are.

We are counting on you, Mrs Hübner, both at European and national level, to make a success of the six reports we are presenting.

**Andrzej Tomasz Zapalowski (UEN).** – (PL) Madam President, an important counterbalance to the growing trend towards national protectionism in Europe today is a rational cohesion and rural development policy. The present system of support from a variety of rural development funds has only served to entrench, rather than even out, development levels in various parts of the European Union.

The result is a huge disparity in agricultural subsidies between the new and the old Member States, and these disparities will persist after 2013. All farmers have similar production costs, and agricultural services in the new Member States are increasing, and are rapidly approaching the price levels of the old Member States. What chances, then, do rural areas have of equalising their level of development in the coming decades?

Only stable and long-term support for local communities in the poorer regions accompanied by maximum streamlining of procedures will make it possible to even out the disparities and allow us to speak of real competition within the European Union over the next decade or so.

**Jim Allister (NI).** – Madam President, I wish to speak about urban and city funding. Commissioner, you have visited Belfast a number of times. You will have seen, I hope, as I have, the distinct benefit of the Urban Programme, particularly in North Belfast. Hence I regret the passing of that programme, particularly since nothing comparable has taken its place. The switch of focus to private-public partnerships is a poor substitute with access to JESSICA doing little to soften the blow, at least so far. In truth we moved away from Urban without a practical substitute in place.

In the present economic climate, the prospect of JESSICA producing the anticipated leverage effect is diminishing, leaving an unfilled gap in many cities where urban redevelopment and investment are still needed. The gap between lip-service in government strategies and delivery on the ground is widening with every tightening of the fiscal belt. Thus the absence of specific funding for urban spend in the 2007-2015 programme is increasingly being felt.

*(The President cut off the speaker)*

**Jan Olbrycht (PPE-DE).** – (PL) Madam President, it needs to be pointed out that the reason this debate has turned out the way it has, and the fact that we are discussing several reports at once, is no accident. It is because neither the topics nor individual issues can be separated if we want a serious discussion about European policy over the coming years. Furthermore, if we take into consideration the current debate on



the subject of the recovery package, the decisions we now have to make will of course significantly influence the shape of cohesion policy after 2013.

Therefore, if we are going to talk about all the reports, rather than get bogged down in detail, it is important that cohesion policy becomes both an opportunity and a basis for real progress towards integrating different types of European policy, towards the complementarity of these policies, towards launching an integrated approach. It is no coincidence that the European Commission is tabling contemporary solutions that are capable of changing European policy as a whole.

The discussion on territorial cohesion is fundamentally a debate on integrated action. It is a debate about retreating from any kind of sector-by-sector treatment of European policy. This is also a direction which suggests that the entire territory of the European Union should be treated as one whole, instead of divided into richer and poorer parts, which means that we face important decisions regarding cohesion policy. I would like to thank you for making this debate a truly joint debate.

**Mia De Vits (PSE).** – (NL) Madam President, first of all, I would like to wholeheartedly congratulate Mr Becsey and also to thank him for the sound collaboration that we enjoyed in relation to the report on micro-credit. There is no need for us to stress the importance of this report, especially not in the current circumstances. I would also like to make the link between this report and the crisis that we are currently going through. We note that the Member States are trying to drag themselves out of the hole that is the economic crisis using a broad array of measures, and that they are often preoccupied with themselves and with restarting their own markets.

The solution, however, is not ‘everyone for themselves’ but a more European approach to the problems. President Obama’s United States has gone in for government investment on a massive scale, and I think that that is the right way to go. Here in Europe we have 27 recovery plans, albeit coordinated with each other, but in each case funded by the Member State itself. These recovery plans are a necessity, but they are very much a limited step in the right direction.

In this connection, reports on micro-credit and also another report that is due on the agenda in the upcoming weeks, namely on the globalisation adjustment fund, represent very tangible steps for the people, right now in particular, when we have rising unemployment and banks are a lot slower to give credit. I therefore have very little to say in respect of Mr Becsey’s report. Above all, I would like to emphasise once again what we found to be our most important points. We see that these points are back in this report, as a result of which the Commission’s text has been improved upon in various areas.

The first of these areas is long-lasting public EU funding. This is important as we currently have too many initiatives running alongside one another. The EU budget must include a budget for these micro-credits.

The second point is the need for clarification that these micro-credits are definitely intended for the long-term unemployed, people from disadvantaged groups and everyone who is unable to get credit in the ordinary way. These micro-credits are primarily granted at the local level. For that reason it is very important that an activation policy be implemented at the local level. We therefore insist that people who receive social benefits do not lose their entitlements by receiving micro-credits.

**Zdzisław Zbigniew Podkański (UEN).** – (PL) Madam President, setting up a European Agricultural Fund for the Development of Rural Areas is very important in terms of structural policy. However, in order to make proper use of the existing opportunities, we need to draw up a transparent, long-term development strategy for rural areas and the regions, and establish a system enabling activities to be coordinated permanently at national level.

We all know very well that the debate on cohesion policy conceals a variety of views on how funds for agricultural subsidies and rural development should be utilised. There is also the apprehension that after re-allocation, some of these funds will be used to develop urban areas and the most dynamic areas at the cost of the historically more backward and less actively managed areas. We cannot agree with solutions and results of this kind.

**Ambroise Guellec (PPE-DE).** – (FR) Madam President, I join all my fellow Members in expressing my satisfaction at today’s debate and I would like to focus my speech on territorial cohesion. I would say that it is never too late to do the right thing, but nonetheless, a great deal of time has been lost in making territorial cohesion a key political objective for the European Union. There have of course been institutional problems, soon to be removed, I hope, as well as, if you will excuse me Mrs Hübner, the Commission’s extreme caution

in this area. We should note, however, that throughout this whole parliamentary term, since 2004-2005, Parliament has constantly tried to get up steam, because we consider the principle of equality in the treatment of all EU citizens, wherever they live, to be extremely important, and believe it is vital that we move forward together.

The Green Paper has arrived at last, and we are pleased. It suffers slightly from a lack of ambition, I feel: we would have liked the Commission to set out a definition and clear objectives rather than making very open remarks on the subject. We are nonetheless making progress even if, I believe, we will again be somewhat hampered by the disproportionate link made with the Lisbon Strategy, during implementation of the previous generation of Structural Funds.

Consultation is now under way, and I hope it will come to the conclusion that we must increase resources, perfect our tools – these plans are for 2013 onwards: we have time, but it will soon fly by – strengthen financial means, develop cooperation at the different levels, have an integrated vision of development, in particular with regard to this issue of sectoral policies we are debating, and coordinate the common agricultural policy and regional development, and so on. We need the White Paper as soon as possible, Commissioner.

To conclude, I would like to emphasise the urgency of promoting territorial cohesion in all the regions of Europe, because spatial equality is essential to ending the crisis and achieving economic recovery, and above all to encouraging our fellow citizens to participate in European projects.

**Pierre Pribetich (PSE).** – (FR) Madam President, 'when words and actions go together, they create a beautiful harmony'. In saying this, Montaigne was undoubtedly thinking of the words and actions of politicians.

Here, in cohesion policy, we must strive for this harmony. Inspired by our desire as Europeans to look on the European town as a key focus for the development of our societies, we have been given points to think about and promises to keep concerning general population decline, lack of jobs, urban pollution, reduced mobility within towns and housing that is unsuitable for sustainable development. These are all crucial challenges we must take up to make our European towns attractive, competitive and pleasant places to live. To mitigate the problems, our words must therefore be in harmony with our actions. That is the essence of the urban dimension of cohesion policy: coordinating performance and credit, harmonising them and making them effective for the new programming period.

In conclusion, we have two commitments: the need to provide substantial and clearly identified financial resources to meet the Leipzig goals and, lastly, the need to see our towns cooperate with one another in order to face world competition using the wealth and diversity of solutions within our European area.

**Rolf Berend (PPE-DE).** – (DE) Madam President, Commissioner, ladies and gentlemen, the report by Mr van Nistelrooij on the Green Paper and the future form of cohesion policy is certainly one of the most important reports produced by the Committee on Regional Development in recent years.

We agree with the fundamental concept of the Green Paper, which states that the purpose of territorial cohesion is to ensure the polycentric development of the EU as a whole, the sustainable development of the territories with their different features and characteristics and, at the same time, the preservation of their diversity. A more comprehensive system offering gradual help for transition regions which exceed the threshold of 75% of gross domestic product must be established in the next programming period, so that these regions have a clear status and can develop in greater security.

Mrs Krehl's report on the obstacles to the use of Structural Funds rightly lists the major problems faced by applicants in claiming Structural Funds, such as excessive bureaucracy, too many complex regulations or the slow and cumbersome centrally managed administration in the Member States. Many recommendations are made to the Commission about the effective measures which need to be taken to remove these obstacles. I would like to single out two of these measures and reinforce them.

Firstly, project leaders must currently keep project documents for a period of 10 years in order to be able to produce them for inspection by the Commission. This regulation imposes an excessive bureaucratic burden on small projects in particular. It is right that this period should now be reduced to three years.

Secondly, the evaluation criteria used by the Commission for innovative projects are causing significant problems. The same criteria should not be applied to innovative projects as to other projects. It is essential that a different process is used in this case.

**Miloš Koterec (PSE).** – (SK) Regional development policy makes a clear contribution to the general wellbeing of EU citizens. It is already a social policy in principle and as such we in the Socialist Group in the European Parliament fully support it and are consistently developing it. I was recently asked by some people attending a public meeting why they should take the trouble to elect representatives to the European Parliament. After discussing how much and in what areas the EU contributes to the various European regions, along with concrete examples that affected millions of people, cohesion policy became for me one major argument as to why we should vote.

In addition to this I also mentioned what an important role the European Parliament plays in the process for approving both cohesion policy and budgetary resources and that this will increase enormously if the Lisbon Treaty comes into force. I emphasised that, based on this Treaty, regional policy will also have a far greater direct effect on citizens and that there will be a greater role for local authorities and for all potential recipients in terms of managing regional policies, supporting their synergies and strengthening the development of territorial cohesion, including rural areas. Furthermore, I mentioned that regional development policy is one of the simplest and most flexible Community instruments for resolving crises such as the one we are currently experiencing. For example, regional policy is helping to solve unemployment, investment and also social problems. Provided it is implemented in a professional and transparent manner, regional policy easily proves itself to be a strong pillar of the EU. We will have to build much on this pillar in the future and increase its effectiveness, since it forms an important link between European citizens and European institutions.

**Mariela Velichkova Baeva (ALDE).** – (BG) What are the basic objectives of the micro-credit initiative? To stimulate the development of this instrument and the creation of a positive institutional and business environment, to help non-bank, financial institutions to increase their capacity, to achieve growth and sustainable development, as well as ensure the confidence of the private capital market.

Mr Becsey's report focuses on the opportunities offered by micro-credit to integrate deprived groups into the labour market. By coordinating various measures and initiatives in this context, the European Commission should put forward a general European framework with specific parameters, including for non-bank, financial micro-credit institutions as well.

Encouraging entrepreneurship results in greater competitiveness and a higher quality knowledge-based economy, in keeping with the revamped Lisbon Strategy.

#### IN THE CHAIR: MRS MORGANTINI

*Vice-President*

**Margie Sudre (PPE-DE).** – (FR) Madam President, Mrs Hübner, I regret that the Council and Commission have not yet undertaken to clearly define territorial cohesion. The French Presidency made an attempt to do so, which I welcome. Our Parliament continues to insist that this objective should apply from the entry into force of the Treaty of Lisbon and that it should be spelt out as soon as possible.

I hope, on the basis of Mr van Nistelrooij's excellent report, that territorial cohesion will become the legal basis underpinning harmonious development in all regions of the Union, allowing the best characteristics to be drawn from each European region. It is essential to improve coordination of Community policies in order to maximise their impact at local level.

Territorial cohesion is not meant to focus exclusively on regions suffering permanent handicaps. It must however follow the polycentric development of the European Union as a whole, taking account of the characteristics of each region while preserving their diversity. This new concept is, I believe, relevant to consideration of the outermost regions in order to guarantee them sustainable and balanced growth.

In this regard, I thank the rapporteur for including in the compromise amendments requests relating to the particular challenges facing the outermost regions in terms of accessibility and competitiveness, which are vital aspects of territorial cohesion.

On reading the Commission's recent communication entitled 'The outermost regions: an asset for Europe', I saw that the Commission wants to apply all the recommendations on improving governance in cohesion policy to the outermost regions, thus making them a pioneer example of the implementation of territorial cohesion.

I hope that the overseas consultation, or *États généraux de l'Outre-Mer*, that is soon to be launched in France, will do the same thing and largely integrate the major territorial impact of European policies for the outermost regions, whose added value is undeniable and undisputed.

To finish, I would of course like to thank all our rapporteurs.

**Gábor Harangozó (PSE).** - (HU) If we are to respond to the challenges facing the European Union, we must do everything possible to put a definitive end to the differences in the economies and standards of living within certain regions. In this regard, our cohesion policy must in the future focus on its original objective, namely, to bring about structural change in regions that are confronted by economic and social problems.

In order to be more effective in the future, we need to concentrate on territorial units that are appropriate to the challenges in question. We need to restructure forms of economic collaboration, a process in which macro-regions can play a significant role.

At the same time, we also need to face the poverty that is concentrated in certain areas. If we want to promote true change, we need to concentrate on the level at which the problem presents itself; in other words, what is needed is targeted, complex measures at the level below that of the regions as well. It is not enough to finance projects; we need an integrated approach that involves all the funds, offering true assistance to the most vulnerable citizens of the European Union.

**Rumiana Jeleva (PPE-DE).** – (BG) Ladies and gentlemen, the cohesion policy is one of the fundamental components of the European Union. It has reflected for decades the general desire of European citizens for a better future with a higher quality of living and working.

The results of the cohesion policy show that it is one of the EU's most successful policies. Nowadays, Member States which have been much less developed in the past in relation to the EU average are now among the most developed in the world. These principles help show the cohesion policy's effectiveness and motivate new states which have joined the EU, like my country, for example: Bulgaria.

We Bulgarians waited a long time for full membership of the European Union and rightly pin our hopes on the opportunities provided by the Structural and Cohesion Funds. I think that I am speaking on behalf of all of us when I thank Commissioner Hübner for her huge efforts in the area of regional development and her decisive support for the cohesion policy.

The five reports from the Committee on Regional Development underscore the European Parliament's long-term commitment as well to a strong, effective cohesion policy. Ladies and gentlemen, apart from facing the financial crisis, we also need nowadays to deal with the problems resulting from climate change, demographic changes, energy efficiency, excessive urbanisation, migration and other issues.

All these issues require a strong, consolidated response from the European Union. This is why the cohesion policy must be used as a driving force for the changes we need to make. Such a challenge facing the EU is, for example, the reduction in external dependency on oil and gas.

Ladies and gentlemen, the cohesion policy and Structural Funds have always been something more than a simple gesture of European solidarity. They are actually part of a mutually beneficial system which can be used to create new markets and new commercial relations. I will conclude by saying that every citizen has the right to benefit from the cohesion policy. This obviously applies to citizens in my country too, who deserve a higher quality of working and living conditions.

**Jamila Madeira (PSE).** – (PT) Madam President, ladies and gentlemen, I should firstly like to thank everyone for their work.

The three key concepts defined in the Green Paper – concentration, connection and cooperation – may offer solutions to certain obstacles to the harmonious development of the Community, particularly the negative effects associated with the concentration of economic activity, the inequalities in terms of access to markets and services that result from distance, and the divisions that are imposed not only by boundaries between Member States – particularly the least favoured – but also between regions.

We must therefore try to improve the synergies between these policies, using methods for effectively measuring their territorial impact. That is exactly why I have always argued for the elaboration of additional qualitative indicators with the purpose of better designing and implementing the corresponding policies on the ground, taking into account the different territorial specificities.

For the time being, GDP remains the only criterion for determining eligibility to receive support through the Structural Funds.

However, the elaboration of additional indicators and the conduct of territorial assessments should not lead to more bureaucracy or further delays, but rather to the simplified application of new policies and actions to support territorial cohesion.

The Fifth Progress Report – I am about to finish, Madam President – makes specific reference to transition regions, which are situated between convergence regions and competitiveness and employment regions. It must be borne in mind that these regions need a clearer status, with more security and stability in their development.

**Iosif Matula (PPE-DE).** – (RO) I would like to thank all the rapporteurs for producing the regional development package. I would particularly like to congratulate Mr van Nistelrooij for his extraordinary efforts. He has very successfully included as part of the motion for a resolution the need for Member States to implement measures aimed at achieving territorial cohesion.

In addition, the Green Paper helps highlight that, apart from social and economic cohesion, the territorial cohesion policy is one of the European Union's main objectives. Europe's regions will develop in different ways unless they are coordinated via a single EU policy.

Territorial cohesion is a key element in the process of European integration and achieving convergence between regions. I believe that particular attention must be focused on the EU's convergence regions both now and in the future, so that the great differences between them can be significantly reduced as soon as possible.

In the case of my own country, Romania, significant progress has been made with regard to the development of its regions, but we are faced with disparities both between and within them, as well as between rural and urban environments.

Balanced, sustainable regional development must take place in conditions where the specific resources are used effectively for each area separately. For example, one of the main features of western Romania is the presence of numerous geothermal water springs. Allocating sufficient funds in this region to generate an alternative source of electrical energy and use the geothermal water will create new jobs and result in numerous economic benefits.

I consider the package discussed today to be of particular importance to Romania as well.

**Andrzej Jan Szejna (PSE).** - (PL) Madam President, cohesion policy is the main pillar of the integration process. Having a properly functioning cohesion policy is a necessary condition for achieving social, economic and territorial cohesion in the European Union. Today our greatest challenge is to carry out a speedy reform of the basis on which our policy operates, and to simplify and make more flexible complex project implementation procedures and funding regulations.

The development of an interregional concept and the exchange of best practice are being included in the cohesion policy reform plans, and complement it excellently. For this reason the European Commission should, as soon as possible, put forward a concrete proposal regarding the possibility of exchanging experience between the bodies implementing the projects.

In my opinion there is no need to convince any of the States represented here that in the face of an economic and financial crisis, Structural Funds are a key tool for stimulating the economy at a regional level. It is therefore important to simplify the procedures and speed up the flow of funding to the economies of the Member States. European projects are a way of creating new and sustainable jobs and an opportunity for those in the greatest need, for the poorest regions of the European Union.

Cohesion policy should also be an instrument for facing new challenges, such as a common energy policy and climate change.

**Czesław Adam Siekierski (PPE-DE).** - (PL) Madam President, cohesion policy has often been regarded as the best example of solidarity within the European Union. Levelling out the differences in development between individual countries and regions of the Community is in the interests of the entire EU. In my opinion, the Green Paper is a Commission document that has accurately diagnosed the present challenges facing EU cohesion policy.

The Commission also addresses the particular need to support regions of a specific geographical nature such as mountain areas and unfavourable agricultural areas, which deserve decisive support. It is particularly important that we coordinate and properly plan support for rural areas. These areas are characterised by a lower level of economic development, lower population densities, inadequate access to all kinds of public services and limited job opportunities outside agriculture. There is also a significant disparity among these areas in individual Member States. If we compare rural and urban areas, these disproportions are even greater.

The planned increases in funding for the development of rural areas have been subject to much criticism in the present Financial Perspective. I would like to remind everyone that rural development policy and funding for this policy help to keep these areas alive and make the lives of their inhabitants easier. In summary, the Commission document, the reports and today's debate are all a step in the right direction.

**Emanuel Jardim Fernandes (PSE).** – (PT) Madam President, Commissioner, ladies and gentlemen, I must start by congratulating Mrs Krehl and Mr van Nistelrooij on their reports and on their readiness to accept contributions from their colleagues. Their reports recognise the importance of best practices, which are a synergy factor, particularly in the areas of the environment, energy and employment, and link the debate on territorial cohesion to the debate on the future of cohesion policy in the European Union.

I agree with the assessment of the Green Paper and with the analysis of the concept of territorial cohesion, and I endorse the recommendations for the future of territorial cohesion that are contained in these reports, particularly the following: definition of territorial cohesion; publication of a White Paper on territorial cohesion; reinforcement of the European Territorial Cooperation Objective; integration of territorial cohesion in the future development of all Community policies; elaboration of additional qualitative indicators; measurement of the territorial impact of Community policies and proposal of ways to create synergies between territorial and sectoral policies; development of a comprehensive strategy for regions with specific geographical features, particularly the outermost regions; establishment of a more comprehensive system of gradual transitional assistance to the so-called transition regions; and development of multi-level (European, national, regional and local) territorial governance.

For this reason I urge my fellow Members to support these reports and the Member States – and the Commission as well – to duly follow them up.

**Maria Petre (PPE-DE).** – (RO) I would first of all like to welcome the idea of a substantial debate on the subject of cohesion. I would like to congratulate each of our fellow Members for their efforts and for the proposals which they have made.

I am going to make a few comments about some of the topics, starting with territorial cohesion. The basic problem is how to guarantee the harmonious development of all the territories in the European Union and the partnership between urban and rural areas in order to stop losing territory and respond to the depopulation of rural areas. Without a definition of territorial cohesion, which Parliament is waiting for, the integrated concept of economic, social and territorial cohesion provides the future basis for EU regional policy and for the Structural Funds' format after 2009.

As regards the Krehl report, I support all the proposals in this report which support Europe's regions and mention removing obstacles and simplifying procedures, as well as their stability over time, along with the proposal to devise rigorous methods for exchanging good practice between regions.

As far as the cohesion policy's urban dimension is concerned, we know that we do not have a common definition for 'urban'. We also know that we have roughly 5 000 towns in Europe with fewer than 50 000 inhabitants. Romania has a considerable number of such populated settlements. I believe that we need a development model and sufficient resources for urban settlements of this kind because these are precisely areas which are lacking or missing out on the beneficial impact of the polycentric approach.

As part of territorial cohesion, integrated, sustainable urban development will be, according to the new Treaty, managed jointly by Member States and the EU. Local and regional authorities must be prepared for this approach, already established as multi-level governance. I support the idea of a mandatory minimum allocation of funds per inhabitant of EUR 1 000, as opposed to the previous figure of EUR 500.

**Francisca Pleguezuelos Aguilar (PSE).** – (ES) Madam President, with regard to the report on micro-credits, I want to congratulate all the rapporteurs, because they have done some great work. They have undoubtedly improved the Commission's initiative.

I believe that the recommendations made in this report will enable us to establish the basis for developing a proper framework in the European Union for the micro-credit sector. This sector has been successful in many developing countries, including in some European countries, both as a means of generating economic activity and as a tool for increasing social inclusion and promoting job creation. However, this success has not to date been transferred to the Community context. I believe that we now have the opportunity to do so, particularly given the economic and financial crisis that we are facing.

In this respect, strengthening the initiatives put forward in this report must be a priority, but we must also take other steps. We must increase the funds available for these micro-credit support structures. We must ensure easier access for those individuals and businesses that cannot access loans. In this respect, Madam President, I want to highlight the example of the European guarantee for micro-loans, as this is a tool that could improve this access and that has been included in the report.

I will end by saying that this report will undoubtedly lay the foundations so that we can create a harmonious framework in the European context in order to encourage the micro-credit sector.

**Silvia-Adriana Țicău (PSE).** – (RO) In 2010 the Commission and Member States are going to revise the method for using and the degree of absorption of the Structural Funds. I call on the Member States to redefine with great care the priorities which they have and for which they intend to use the Structural Funds.

I feel that urban mobility, rural development, energy efficiency in buildings and the development of transport infrastructure must feature among Member States' priorities for using the Structural Funds during the 2011-2013 period.

As rapporteur for energy efficiency in buildings, I called for an increase in the ERDF rate which Member States can use to build social housing and boost energy efficiency in buildings from 3% to 15%. This would provide greater flexibility for Member States, as well as the opportunity to speed up the absorption of European funds for improving European citizens' quality of life.

Especially during the current crisis, public funds, and in particular Structural Funds, must be used by Member States to ensure economic development and increase the number of jobs.

**Eoin Ryan (UEN).** - Madam President, first of all I would like to congratulate the rapporteurs who are involved in this very important report. I think the economic crisis has forced us to take a long, hard look at our past economic behaviour. That, in turn, offers us an opportunity to learn from our past mistakes. I suppose that, when our economies were powering ahead, we unfortunately left certain groupings behind.

Addressing and improving access to microcredit offers us the opportunity to address these past mistakes. Reshaping the microcredit framework can help us reinforce and rebuild our economies from the community upwards. In Ireland some commendable work has been done in this regard. In my own constituency of Dublin there are four enterprise boards that have been set up since 1993 and they have been supplying local-level support to microenterprises all over Dublin City and County. The Association of County and City Boards in Ireland announced its own financial stimulus package earlier this year, aimed at supporting 3 000 enterprises around Ireland and creating 15 000 new jobs. The project also includes training for nearly 50 000 people.

On a European level these are small figures, but our microcredit enterprise in Dublin and Ireland is hugely significant. I sincerely hope that, following on from this excellent report, we see significant and coordinated action at Community level to support the invaluable work that is being done by and for microenterprise at local and national level around the European Union, as it is a very important part of our economy today and a very important part of our economy into the future.

**President.** – Thank you, Mr Ryan. I have not been particularly strict, because we actually have a little more time than is stated in the rules.

However, I should like to say something before we move on to the 'catch-the-eye' procedure. This morning, a very important event was launched in this House. It was launched by Mr Pöttering and it concerns a European organisation called FLARE, in which more than 30 countries are involved and in which young people – and not only young people – are extremely committed to combating organised crime and to ensuring that the goods confiscated from organised crime are used for social works.

A commitment has also been made in this House by the President of the European Parliament and the Committee on Civil Liberties, Justice and Home Affairs, and here among us in this Chamber there are some

of these young people who, I believe, are a credit to Europe since, together with ourselves, they are trying to ensure that Europe is a Europe free from racism, but also free from organised crime. I should therefore also like to welcome those who are here and who are in this Chamber.

**Erna Hennicot-Schoepges (PPE-DE).** – (FR) Madam President, I should like to congratulate all the rapporteurs. These reports are a goldmine for new policies. I only regret that none of them refer to cultural policy.

Cultural policy is perhaps cohesion policy by definition. It is culture that gives cohesion to a region and it could have been mentioned, since trans-regional cultural policies have not yet been put in place. We always have great difficulty in funding trans-cultural projects because there is no trans-cultural society, no social security that could give artists the mobility needed to work outside the borders of their region. I earnestly call on all those who are working to implement this policy not to lose sight of this aspect; it is important in every European policy.

### IN THE CHAIR: MR MARTÍNEZ MARTÍNEZ

*Vice-President*

**Ewa Tomaszewska (UEN).** – (PL) Mr President, territorial and social cohesion prevents conflicts by eliminating their causes. This is what makes measures to equalise the standard of living in urban and rural areas and to balance the infrastructure in the regions so important. Widespread use of micro-credits is a good instrument for cohesion policy. Today, at a time of financial and economic crisis, when we are all trying to find ways of protecting jobs, we must be aware of the threats to cohesion policy such as protectionism and discrimination against the poorer regions.

**Den Dover (PPE-DE).** – Mr President, the Committee on Regional Development and the funds put into the whole of Europe are the most important programme in the whole of the European Community.

I can speak for North-West England and say how very much these funds have benefited the city of Liverpool, in particular, over the last 10 years. Looking onward to the future, I can see that city continuing to expand on the basis of these well-allocated, well-controlled funds.

I would call for more involvement of the private sector in the way that the funds are allocated, managed and controlled, because the private sector can always do a more efficient job than the public sector.

I would also like to emphasise how very invaluable these monies have been to the rural areas of the North West, where there are a lot of agricultural areas, which are vital to the whole economy.

Finally, let me say that I back Mr Becsey on his microcredit. This is a very interesting development and essential at this time in the economic situation.

**Zita Pleštinšá (PPE-DE).** – (SK) Ladies and gentlemen, I consider today's coordinated debate on regional policy to be the most important debate not only in this plenary session, but also one of the most important debates in our election period. It is a chance to speak to European citizens about a topic they can easily relate to, especially with the June elections to the European Parliament looming. The absence of effective, simple and straightforward support for smaller authorities, particularly in the area of accessing investment resources, is alarming. Therefore I believe that, based on these reports, we will see a re-evaluation of cohesion policy and particularly some of the operational programmes which should be reopened and revised.

I would like to end by stating my conviction that the recommendations of the European Parliament in these five reports will bring added value and will fulfil the expectations of citizens both in Europe's cities and rural areas, who believe that cohesion policy will ensure the development of their regions, the gradual levelling out of regional differences, new employment opportunities, energy security, improved energy efficiency in their homes, better transport and technical infrastructure and a higher standard of living.

**Sérgio Marques (PPE-DE).** – (PT) Mr President, Commissioner, ladies and gentlemen, in this important debate on territorial cohesion and the future of economic and social cohesion policy, I have to mention the very specific problem faced by the outermost regions. Due to the constant combination of a series of geographical factors, these regions are extremely vulnerable in economic and social terms, particularly during a serious international crisis such as the one that we are experiencing today.



I should therefore like to call on the European Commission, and especially Commissioner Hübner, to pay very close attention to the effects of the current crisis on the outermost regions. An assessment of these effects in each of the outermost regions, particularly on tourism, construction and the rise in unemployment, would be very helpful to ensure a specific European response for these regions.

I therefore challenge the European Commission to prepare a European response to the crisis for the outermost regions, which goes beyond the measures already announced under the economic and social cohesion policy for the European regions in general. A specific European response to the crisis for the outermost regions ...

*(The President cut off the speaker)*

**President.** – You have run out of time.

The Rules laid down by the Bureau state that up to five Members can take the floor in this type of debate, and for strictly one minute per person.

There are a further six Members who have asked to speak, in addition to the five who have already taken their turns in accordance with the Rules. As we have some spare time – according to the sessional services – I am going to make an exception and give the floor to those Members who have asked to speak. However, I would urge them to keep strictly to the subject and to the minute allowed under this ‘catch-the-eye’ procedure.

**Zuzana Roithová (PPE-DE).** – (CS) Mr President, I am delighted to confirm that the Czech Presidency is promoting a clear definition of cohesion policy in a way that involves assistance for less developed regions. I would also like to call on the Commission to submit binding legislation harmonising the conditions for an effective micro-credit market. This is important not only in a time of crisis. We must facilitate access to funding for private individuals and for entrepreneurs who are unable to obtain loans from the traditional banking sector. The past history of consumer credit shows that the EU must act in a unified and effective way, particularly with regard to control instruments. Additionally, I think that micro-credit should be targeted mainly at projects in the less-developed European regions in the same way as cohesion policy, and also towards disadvantaged groups of citizens or highly innovative projects, in accordance with Lisbon strategy objectives. I would also like to alert the Commission to the risk of micro-credit being abused for money-laundering purposes. It is a pity that we still do not have a concrete legislative proposal on the table.

**Andreas Mölzer (NI).** – (DE) Mr President, as we are speaking about EU cohesion policy and regional development, perhaps we should take a look at the EU accession candidate countries. Last weekend I was in Turkey, more specifically in eastern Anatolia, and I saw the problems in Diyarbakir in the Kurdish area. I realised that there was a need to advise the accession candidates about the benefits and the necessity of regional development.

The problem in the Kurdish area is not only an ethnic problem and not only a question of the right of self-determination and similar issues. It is also not a problem of terrorism, but has much more to do with regional development and with balancing regional development across the towns and the countryside. I believe that we should explain to Turkey that it should apply European cohesion policy in this case, otherwise it will not be ready for accession to the European Union in this respect either.

**Alexandru Nazare (PPE-DE).** – (RO) Structural and Cohesion Funds are a hotly debated topic for us, as well as being a very praiseworthy but, unfortunately, inadequately exploited opportunity. There are numerous reasons for this, ranging from red tape, cumbersome regulations or regulations valid for too little time to information which is difficult to access and a lack of transparency.

I can tell you that many Romanian applicants complain about problems related to eligibility for expenses, regulations valid for too little time, impenetrable documentation and, of course, long project evaluation periods.

I am pleased that the European Commission too has started to realise these obstacles. The proposals to amend regulations include, particularly during the current economic crisis, such provisions for simplifying the regulations for using these funds. This is a first step and I would like to think that many of our proposals will be adopted by the Commission as well.

One solution to these problems is provided by the twinning and technical assistance programmes, but as I also supported through my amendments to Mrs Krehl's report, a programme is required at EU level ...

*(The President cut off the speaker)*

**Ljudmila Novak (PPE-DE).** - (SL) Quality of life has indeed been greatly improved by the monies from the Structural Funds which the European Union has used to strengthen social, economic and territorial cohesion and to develop a total of 268 regions.

From this financial perspective, I am pleased to note that Parliament, in its present composition, has also played a role in helping to allocate more monies for the purposes discussed than initially proposed. At the same time, I regret the fact that, as my colleague has already pointed out, there are far too many bureaucratic hurdles and I sometimes wonder whether it is Europe or the national governments who is to blame for that.

At any rate, I think that we need to simplify such hurdles, in order to address the pressing needs of both local authorities and regions. However, if we want to keep young people and women in the rural areas, we have to invest far more resources in supporting rural development.

**James Nicholson (PPE-DE).** - Mr President, much of what we have discussed here this morning will go to the next Parliament to implement. There is no doubt about that. Rural development is central to the development of the rural economy, but when the second pillar was designed and brought about to support rural society some years ago, they did not provide sufficient funds to support that second pillar. We now have modulation, which is taking the extra funds from the farmers' single farm payment to develop rural society and the rural economy.

I know there is going to be a battle here. There are those who want to take regional policy, or support for rural society, away from DG Agriculture and give it to DG Regio, which is unacceptable to those who live in the rural economy. We had that debate way back in the early 1990s under Ray MacSharry and we are not returning to it. I say 'no way'. Extra funding must be spent under agriculture and in the rural economy to support small farmers and people active in rural areas.

**Francesco Ferrari (ALDE).** - (IT) Mr President, ladies and gentlemen, I should like to thank the rapporteur for his report. The subject-matter addressed is very sensitive in terms of the implications it may have for the economic systems of the various Member States. Linking the new Agricultural Fund for Rural Development to the CAP may have positive or negative aspects, depending on how such a fund is used.

From a certain point of view, linking funds will mean that they can be used more effectively, and this is certainly a good thing. However, I agree with the rapporteur that there is a very fine dividing line and, among other things, there is the risk that the funds will be used only to make agriculture more competitive, to the detriment of other sectors in rural areas.

Rural areas do in fact need strong investment – structural and agri-food investment – to revive the economy, to train young farmers, who are the driving force behind the rural economy, and to train women who live in these areas. They also need investment in the information technology sector, to make young people more familiar with new technologies. The risk we run is that the funds will be misused.

That is why I remain convinced that common sense must prevail if we are to prevent the misappropriation of funds, because the rural economy could have a very heavy impact in Europe.

**Czesław Adam Siekierski (PPE-DE).** - (PL) Mr President, the cohesion policy is all the more important from the perspective of the current economic crisis, as the Structural Funds it offers it can serve as effective instruments stimulating the economy at regional level. Concentrating on growth-stimulating activities, such as spending on research and development, innovation or active job-creating instruments, should give the European economy a stimulus and ensure a return to growth. I also approve of the allocation of additional funding for improved Internet access in rural areas.

**Danuta Hübner, Member of the Commission.** - Mr President, I saved two minutes from my introductory remarks in order to have more time to respond now to the questions. Whilst I regret that I cannot respond to all the questions, I very much appreciate all the bilateral exchanges we have had over the last years in Brussels or during my visits on the ground in your constituencies. You are welcome to continue this dialogue with us in the Commission. I should like to thank you for this really good and genuine debate today.

We need to fully and wisely exploit the potential of all European and national policies to ensure that the European Union as an economy and a society comes out of the crisis stronger economically, socially and politically, with solid foundations for long-term sustainable development. I feel that today's debate confirms that European cohesion policy must play its role in this process both today and tomorrow. It is our common task today to ensure that the potential of cohesion policy – its capacity to deliver sustainable development and jobs – will be used fully and wisely in this new global context. I am not only thinking of the crisis, but

also of all those well-known challenges that we identified years ago as important challenges for European development.

Supporting sustainable competitiveness is the most effective way to achieve cohesion in the European Union. In this context, we must use the cohesion policy to target factors such as access by small and medium-sized enterprises to finance. We must also address issues such as better access to public services that aim to improve employability and productivity and thus contribute to more equal opportunities.

As some of you have stressed, over the last years it has become common sense that addressing the new challenges clearly requires an integrated and place-based approach – an approach that optimises the use of resources and also mobilises all partners at regional and local level, as well as national and European level, so that we are active at all levels of European governance.

Concerning the partnership principle, I would like to stress that this has been a very important objective from day one of my term in office, and the Commission has invested a lot in making the partnership principle and the cohesion policy a real one – one which is really used on the ground. Soon after the negotiations, we conducted a full assessment of how the partnership principle and the process of designing policy programmes were implemented by the Member States and the regions. We did not want just the formal presence of partnership principles, so we also worked with partners, helping them to build their capacity to be real partners in the policy management system, and we react quite efficiently to any signals we get from the ground that this principle is not being respected in the individual Member States. I have just had a meeting on this very issue with NGOs from one of the central European Member States.

I also fully agree with all of you who say that cohesion policy does not, and must not, work in isolation; that we need to reinforce the synergies and coordination between the cohesion policy and all other sectoral, national or European policies. This is not just to avoid overlap or duplication, but is also about using the synergy that comes from good coordination between the policies. Certainly, the rural development and regional policies are an extreme example of the need to have very good coordination and the use of synergies between policies.

Another example could be competitiveness and the need to take into account the constraints coming from a low-carbon economy and climate change regarding infrastructure investment. I would like to underline very strongly that we have invested a lot in greening the European cohesion policy. We established the objectives relating to climate change, energy efficiency and renewable energy before the major debate exploded on climate change in the European Union. Today we have one third of cohesion policy funding going directly into green investment in all areas of our life. Recently added to the policy is the additional 4% to be used in the area of housing for energy efficiency and the use of renewable energy that allows us to put more emphasis on this challenge.

What also clearly emerges from the debate is that we need both continuity and reform in policy delivery. On the continuity side, I would very strongly stress that this multiannual programming, financial additionality, shared management and partnership principles represent a great European value that we should continue to care about. But there is also this need for change to strike a better balance between the demands of financial management and control and the tasks of achieving good results and good implementation of the policy. There is no doubt that we need to put in place a simpler, more efficient and more effective implementing mechanism and reduce administrative complexity and the administrative burden.

We have been working with your great support over the last months on this challenge. We already had the first amendment of Article 55 back in December and we will be voting on the main chunk of simplification proposals a week from now. The task force that we set up with Member States for the simplification of the policies is continuing its work, and at the end of May we will have another proposal, hopefully still related to this period.

I agree with you that for the policy to be more effective we also need a stronger focus on results, stronger monitoring and an evaluation culture. We are continuing to work on this. I very much appreciate your support for financial engineering. We are on track, but much more can certainly be done. Please also take note with respect to financial engineering, which is today one of the major instruments helping small and medium-sized companies access credit through JEREMIE and now also through JASMINE for micro-credit, that we started this process long before the crisis hit, so the policy has also been relatively well prepared for these difficult times.

Some of you mentioned the question of transparency. I would just like to remind all of us here that we have new rules for this new period 2007-2013. We have the obligation to inform the public on all the beneficiaries, so we hope that with these transparency obligations we will also see major change with regard to public awareness and the integrity of the whole process.

Very briefly, on culture, because it was raised as an important element, we are fully aware – and I also see it during my travels – that both regions and cities are major actors in the cultural field in Europe. Culture also plays an important economic role in the development of regional development. We have recognised this in the framework of the European cohesion policy. We have many regional and local urban strategies that have successfully integrated culture into our policy.

Let me also inform you that the Commission will soon launch an independent study on the contribution of culture to local and regional development, hopefully to be finalised by the beginning of next year. Through this we will have a better-informed basis for the further inclusion of culture in European policies.

Finally, I very much appreciate all your comments not just on the report, but also what you have presented here as your concerns and ideas for the future. I shall include most of those messages in my orientation paper which I will present to Council at the end of May. We are also completing the independent study by a group of researchers and experts chaired by Professor Fabrizio Barca. This will be presented publicly at the end of April. The final official assessment of the consultation on the green paper on territorial cohesion will be presented in our sixth interim cohesion report which will be adopted by the Commission towards the end of June.

**Constanze Angela Krehl**, *rapporteur*. – (DE) Mr President, I would like to make two comments as this debate comes to a close.

The public has a very ambivalent view of European structural policy. Some people take it for granted that they will receive support, but simply find that the bureaucratic obstacles are too great. For other people, including some in this House, it seems merely to be a gateway to fraud. Neither of these views is correct.

Solidarity is genuinely important for my group, but it must be well-founded and it must not be a one-way street. On the other hand, it is not the case that project promoters, communities and associations which apply for projects want to defraud the European Union. Complex processes often result in errors being made, but they do not give rise to fraud. This is why we must change how things are done.

The second point which I would like to consider is that cohesion policy is indisputably an important part of European policy. Faced with challenges such as climate change, the economic crisis and globalisation, together with demographic changes and developments on the labour market, we need this policy urgently. The European Parliament must redefine the cohesion policy for the future to meet the needs of the European regions. The reports which we have just discussed form a good foundation for this process. This will allow European added value to be created for the European Union. However, when we redesign the structural policy, we must not behave as if it could solve all the problems of the European Union. We really must concentrate on the tasks in hand. Thank you.

**Oldřich Vlasák**, *rapporteur*. – (CS) Commissioner, ladies and gentlemen, at this point I would like to summarise the challenges and polite requests that the European Parliament will address to its partners, the European Commission and the Member States, if this report is adopted. It is clear that the greatest need is to assess the usefulness of incorporating the URBAN initiative into the mainstream of cohesion policy. We must assess the options and verify levels of satisfaction among mayors, councillors and elected representatives in relation to the drawdown of European funds in urban areas. Integrated planning and the transfer of responsibility or so-called sub-delegation of resources or financial engineering instruments are clearly areas where a more active approach is needed from the Commission, at least through the presentation of recommendations or examples of proven approaches. At the same time, we must continue to simplify cohesion policy in its entirety and not just the urban aspect. Long-term options might include, for example, a merger of the European Regional Development Fund and the European Social Fund. Last but not least it is vitally important for the Commission to measure and regularly assess the impact of all policies on urban life and at the same time to discuss the effectiveness of these policies directly with urban authorities. This report therefore recommends that the Commission and the Member States establish an EU High Level Group on Urban Development and apply the open method of coordination to urban development policy at EU level in the same way that it is applied in other areas such as social integration for example. At the same time the report also calls for the position of urban areas in the Regions for Economic Change initiative to be strengthened and for the Urban Audit project to be further developed and regularly updated. In the absence of reliable

comparative statistics we cannot base our decisions on relevant data. European funds are in fact one of the most visible and effective manifestations of European integration. We must therefore ensure, both in the current pre-election period and afterwards, that the actual recipients of structural assistance are more involved in the debate over what form cohesion policy should take. These people are our fellow citizens and our constituents.

**Wojciech Roszkowski**, *rapporteur*. – (PL) Mr President, Commissioner, the issue covered by my report was quite specific, but very important for optimising the utilisation of EU funds from the viewpoint of cohesion, whether it is understood in its traditional meaning, or in terms of territorial cohesion.

Sustainable growth is an extremely complex issue. We must therefore welcome all attempts to simplify the achievement of this objective. However, the concept of territorial cohesion has not yet been defined with any precision. The Green Paper is therefore the beginning, rather than the end of the debate on this matter.

I am pleased that the Commissioner pointed out the need to reduce the disparities in development levels and the importance of synergies in implementing EU policies. Different regions have quite different problems in terms of income levels, geographical location, migration, etc. However, we need to remember what my Polish fellow Members, Mrs Staniszevska, Mr Podkański and Mr Zapałowski said, about funds tending to accumulate in the centres of the regions. We should also remember that the aims of rural development policy are not necessarily a contradiction of the Lisbon goals if use is made of the relative competitiveness mechanism, or low-cost increases in productivity.

The Committee on Agriculture has not commented on my report, so I take their silence to mean agreement. In my view, Mr Baco's vote is more of a misunderstanding. In my report, I expressly stated that rural development resources cannot drain direct payments. On the other hand, it is a fact that rural development funds can help rural areas out of economic trouble by supporting non-agricultural activities. I am pleased by Mr Nicholson's support on this issue.

Finally, I would like to express my thanks to the advisers from the Committee on Regional Development and my own political group for their help in drafting this report, and to all who participated in today's debate.

**Miroslav Míkolášik**, *rapporteur*. – Mr President, let me present in conclusion certain ideas which I did not have the time to include in my introductory speech.

I am very pleased to see that over EUR 100 billion is to be invested in protecting the environment. At the same time, I would seriously welcome a much higher allocation for energy efficiency and renewable energies – currently EUR 9 million – as well as a higher allocation for measures to combat climate change, which, at EUR 48 billion, is less than required at the moment.

I strongly believe that deciding on how we use these funds to protect our regions and combat the consequences of climate change, such as floods and droughts, will determine the future of our regions and their economic positioning. I also greatly appreciate the fact that all Member States have already devoted a significant amount of their total financial allocations to investments in research, development and innovation, but I have also noticed that, for most of the EU convergence regions, ensuring accessibility remains a significant problem as they face a lack of transport infrastructure.

On the other hand, I am glad to witness Member States' efforts to prioritise investments aimed at increasing labour participation and improving skills, as well as fighting against poverty and social exclusion in their programmes financed by the European social funds. Furthermore, I encourage new Member States to continue to build up effective partnerships and to consistently reinforce the partnership principle while implementing the operational programmes. I believe that the new Member States could truly benefit from further exchanges of best practices and knowledge about developments in technologies, for example, and from other common actions to speed up their potential as regards implementation.

**Zsolt László Becsey**, *rapporteur*. – (HU) During the introduction I was unable to address one or two questions relating specifically to micro-credit, but the most important thing here is the principle of additionality. I would like to reiterate that this, too, is an important fundamental principle of cohesion, in addition to those of partnership and an integrated approach.

Thus, in order to be able to provide something extra, we need to ensure that people without a permanent address are able to take part in the micro-credit programme by means of the mentorship programme. We can achieve that something extra by making sure that in the newly launched JASMINE programme, we are able to train and involve new micro-financing institutions that are close to the people. We need, in addition,

to provide that something extra by taking a more flexible approach to competitiveness, both with regard to the *de minimis* programmes and in relation to public procurement, by placing the self-employed in a position of positive discrimination.

Another point I would like to address is the matter of financing. On the one hand, launching the experimental programme which Parliament has been encouraging for two years now with EUR 2 million per year. I hope that this will begin in the second half of the year. We concentrate all programmes explicitly dealing with micro-credit in one place, making them transparent – as several of my fellow Members have also noted.

The principle of additionality is also important in order to persuade Member States to encourage people to begin micro-enterprises and not sit at home collecting social benefits, something to which Mrs De Vits has also referred. I consider it important that we continue to encourage people in this regard. It is a very important point that additionality should mean that the micro-financing intermediaries should not lead people into usury. For instance, in the case of Roma, they should not be subjugated by their own aristocracy, but we should be able to foster an activity that is based on true partnership and a willingness to help.

**Lambert van Nistelrooij, rapporteur.** – (NL) Mr President, this morning I was the first speaker in this joint debate and, looking back, I think that we have given our citizens, those who are engaged in implementing integrated policy in a decentralised way, a very strong signal that the European Parliament is choosing to go through with the cohesion policy and values the work that they perform on all the numerous projects, whether they relate to research and development trends, research infrastructure or projects relating to energy modernisation. That is of considerable importance. When we go to the voters over the coming months, there are thousands of projects in which Europe is close to the citizens. I think this, too, is of great importance. I also wish Commissioner Hübner every success in that campaign, as I see that you, too, are going to the voters in the coming months. That is a really good thing, including for everyone here. I would also like to thank you, in particular, for the changes in policy that you have brought about, namely greater consideration of the Lisbon objectives, the greening of our activities, and an emphasis on R&D, and today I have once again observed that you also specifically referred to cultural heritage as something with an economic and cultural value.

I have a couple more comments to make, the first of which is about the emphasis that is being placed on cross-border cooperation, that third objective, which we need to strengthen in the forthcoming period, including financially.

The second point is that there must be no frittering away of our funds. We have excellent funds through which we are able to offer our partners the means, via the partnership framework, to push ahead with developments. We must not fritter that away in the subsequent period.

Finally, there must be a White Paper on territorial cohesion. You have given a lot of indications, but the White Paper is the basis for future legislation and I would consider it highly regrettable if the European Commission were to fail to produce a White Paper. I would also like to thank the shadow rapporteurs for my report for their cooperation, as well, in particular, as the staff, who were terrific.

**President.** – Before suspending the sitting for a short while, I am going to give myself leave to very warmly welcome a group of visitors made up of pensioners from the province of Toledo, in my region of Castilla-La Mancha, because they are here to fulfil their duty as Europeans.

The joint debate is closed.

We shall now proceed to the vote.

#### **Written statements (Rule 142)**

**Adam Bielan (UEN), in writing.** – (PL) People from rural communities are in a particularly disadvantaged position when competing in the labour market. In the European Union, and especially in Poland, there are significant differences in the standard of living between urban and rural areas. This is especially true of access to services. Access to modern technologies like broadband Internet in rural areas in Poland is half that of urban areas.

The objective of cohesion policy should be to undertake specific initiatives to equalise standards of living in particular regions. Aid for small and medium-sized businesses in obtaining funding from the European Agricultural Fund for Rural Development is extremely important here.

Governments of particular countries should support small and medium-sized enterprises by eliminating administrative and legal barriers and by providing suitable infrastructure. These are fundamental conditions for the development of areas which are distant from large urban areas.

**Sebastian Valentin Bodu (PPE-DE), in writing.** – (RO) Micro-credits and even credits granted to entrepreneurs from Community funds provide an institutional lever which can and must plug the gap left by commercial banks as a result of the financial crisis which is already hitting the real economy.

A commercial bank is only beneficial to the economy for as long as it is granting credit, which is not happening at the moment, in spite of the massive injection of public money into various banks.

In these circumstances, I am proposing that Member States should no longer finance commercial banks with problems directly so that they can cover with money they have received the huge losses and/or improve their financial coefficients using public money, satisfy their shareholders and provide a reason for even awarding themselves generous bonuses. On the other hand, they must not (all) be left to go bankrupt, either.

My proposal involves the use of commercial banks as simple intermediaries, agents for granting credit and micro-credits from public funds to economic agents and entrepreneurs who, without funding, are also vulnerable to the risk of bankruptcy.

In conclusion, credit and micro-credits should be given to those who need it via the banks, but without passing through the balance sheet of the latter, only using their expertise and network to facilitate the borrowing of such finances.

**Vasîlica Viorica Dăncilă (PSE), in writing.** – (RO) Improving access to micro-credit enabling small entrepreneurs, the unemployed and the disadvantaged who are keen to start up their own business and do not have access to traditional banking credit instruments to develop a business, combined with the recent decision to reduce VAT for certain services, are solutions which the European Union is providing to Member States to help them overcome the crisis.

The latest analyses maintain that the services sector, agriculture and tourism may be areas which can absorb a significant proportion of the workforce available on the labour market, including the unemployed. This is the reason why Romania and the other EU countries must develop the instruments required to implement this idea, especially as part of the 'non-banking' market segment.

I think that these micro-credits can be used successfully to develop services for companies, individuals or households, ranging from IT specialists to window-cleaners, from gardeners to people who provide care services for the elderly and children. They can also contribute to the use of personal qualifications and qualities in a successful business.

A micro-credit can be accessed by companies with fewer than 10 employees. This is beneficial for people who want to work and for unemployed people who want to start a business. Micro-enterprises account for 91% of Europe's commercial companies.

**Dragoş Florin David (PPE-DE), in writing.** – (RO) The Green Paper on territorial cohesion entitled 'Turning territorial diversity into strength' launches a broad consultation with regional and local authorities, associations, NGOs and civil society with the aim of promoting a common understanding of this new concept, along with its implications for the EU's future regional policy, without however offering a definition of 'territorial cohesion'.

The objective of territorial cohesion is to ensure the harmonious development of all the EU's territories and to offer all citizens the opportunity to gain the most out of the inherent characteristics of these territories. The Green Paper proposes that diversity should be converted specifically into an asset and competitive advantage, which contributes to the sustainable development of the whole EU. It also refers specifically to the need for effective control over the cohesion policy to make it become more flexible.

The main challenge involves helping territories to use this asset and exchange good practices. Mr van Nistelrooij's report covers this vast area of territorial cohesion and expresses effective views on the Commission's communications in this area. As a result, the Green Paper on territorial cohesion remains open to new challenges, but is being transformed into an effective instrument for partnerships and exchanges of good practice.

**Constantin Dumitriu (PPE-DE), in writing.** – The Cohesion Policy and rural development measures come under the same principle of solidarity promoted by the European project and contribute to achieving the objectives of the Lisbon Strategy.

Our analyses and the decisions which we are going to make must take into account the different levels of agricultural development across the European Union, this sector's weighting in Member States' economies, as well as different situations in terms of regional cohesion and development. I welcome that the final version of this report will also include my proposal to facilitate greater flexibility in the use of Structural Funds, so that they supplement rural development measures.

In order to ensure the proper coordination and complementarity of the Cohesion Policy with rural development measures, Member States will have to introduce mechanisms to encourage the consistent and fair use of European funds. At the same time, the European Union must use the instruments at its disposal to monitor better the use of European funds at regional level to ensure that there is no prejudice against rural areas.

This report is a first analysis of this subject, and it must be continued so that the future financial outlook ensures greater harmonisation between the EU's measures offering financial support.

**Bogdan Golik (PSE), in writing.** – (PL) I would like to thank Mr Becsey for his report, which is so important to myself and my compatriots.

Many people do not seem to realise how greatly the institution of micro-credits can influence a country's socio-economic development. Small, unsecured loans are not the preserve of the poorest in the developing countries. The idea can just as well be applied to the unemployed, business start-ups or existing micro-enterprises.

Offering people without access to credit the opportunity to fund their initiatives is a major step towards implementing the principle 'think small first'. In proposing such loans, we are promoting entrepreneurship and increasing work activity, thereby averting and reducing social exclusion. Micro-credits have a very positive effect – which is particularly important in my country – on the level of unemployment.

When introducing loans of this kind, however, a few important issues need to be borne in mind.

Firstly, the institutional and legal frameworks of micro-credits need to be adapted to the level of development of the loan funds market.

Secondly, the procedures relating to this service must be examined. Unfortunately, due to their complex nature, micro-entrepreneurs and persons starting out in business are more inclined to apply for consumer loans.

Thirdly, in order to popularise micro-credits, entrepreneurs need to be made aware of the fact that there are alternatives to bank loans for raising funding.

Despite these reservations, I welcome the micro-credit service in Poland with open arms.

**Livia Járóka (PPE-DE), in writing.** – (HU) I would like to congratulate my fellow Member, Mr Becsey, on his report advocating the development of the micro-credit system in support of economic growth and employment. The document rightly points out that disadvantaged groups, including the long-term unemployed, welfare dependants, and ethnic minorities such as the Roma, in particular, should be the focus of European initiatives regarding micro-credit.

Micro-financing has proven highly successful in numerous countries in promoting social and economic integration by supporting self-employment. At a time of financial crisis, simple financial instruments that are able to fund business, especially in underdeveloped regions or the above-mentioned social groups, are of particular value. Those wishing to run small family businesses can face significant difficulties in tenders administered within the framework of cohesion policy, especially in the case of cofinancing. The creation, or restoration, of social cohesion must take precedence over profit-making, since support for self-employment is far less costly than unemployment benefits, and thus from the perspective of the national economy it is worth providing micro-credit even if from a strictly financial point of view it might not be profitable. The micro-credit system must be made accessible to those who are not 'bankable', that is, to people who cannot obtain credit from the traditional banking sector because of their high risk, low margins and danger of non-performance, and it should make possible the targeted involvement of disadvantaged groups.



**Zbigniew Krzysztof Kuźmiuk (UEN)**, *in writing*. – (PL) In the cohesion policy debate, I should like to draw your attention to some issues raised by Mr Roszkowski's report on the matter.

1. In the Financial Perspective 2007-2013, the European Agriculture Fund for Rural Development was made the second pillar of the CAP and was thereby separated from cohesion policy. As a result of this development, particularly in view of the slender budget funds available, cohesion policy, particularly that of the European Regional Development Fund, has focused on economic competitiveness concentrated in the larger urban centres or the most active regions, while the EAFRD is concentrating its resources on improving agricultural competitiveness.

This approach may result either in the duplication of some objectives, for example environmental protection, education and culture, or their omission in both areas.

2. Therefore, we need to assess whether the funding designated for rural development in 2007-2013 should be used more to support farmers, or whether it will be assigned more to non-farming rural beneficiaries, or even beneficiaries who remain in rural areas but will move from the farming sector to other areas of professional activity. If it turns out that support for farmers is the preferred objective of the second pillar, it appears that in the next perspective it would be favourable to tie these funds in to cohesion policy.

3. It is also necessary to increase the funding pot for the second pillar of the CAP, albeit, as called for by the European Parliament, through a reduction in direct payments to large farmers, and a gradual increase in modulation rates.

**Janusz Lewandowski (PPE-DE)**, *in writing*. – (PL) Regional policy, which has materialised in the form of Structural and Cohesion Funds, is rightly regarded as the most visible and tangible Community policy for the citizens of Europe. No other policy provides as much visibility for the European Union or illustrates the benefits of integration better. That is why we attach such importance to the debate on the future of cohesion. Cohesion has never been needed as much as it is now, when the two halves of Europe, separated after the war by the iron curtain, have come together. This is extremely important to the countries that were relegated to the background under the Yalta Agreement. The crisis, and the potential value of the Structural Funds as anti-crisis packages, is a special aspect.

We cannot repeat the 2008 situation, when EUR 4.5 billion of unused funds were reimbursed. That was a joint failure by all of us. This alone makes it paramount that we let this part of the EU budget through today. In the short term, other matters can be postponed; in the longer term, we must defend cohesion policy as a Community policy that gives all regions a chance. As such, cohesion policy needs to defer to regional and local knowledge regarding the best way of managing funding. Additional criteria for evaluating projects will increase the level of discretion in their evaluation, and thereby complicate the process of using the funds. This makes sense neither today, in the face of the crisis, nor in the longer term.

**Ramona Nicole Mănescu (ALDE)**, *in writing*. – (RO) I would first of all like to congratulate the rapporteur for all his efforts.

As is well known, the implementation of the strategies and operational programmes for the 2007-2013 period is still in its initial stages, which is why the scope of application of the report being debated is still restricted. However, I would like to mention the efforts made by all Member States to integrate, as part of the process of drafting and negotiating the operational programmes, the general priorities of the cohesion policy.

The successful implementation of the operational programmes depends to a huge extent on how quickly we manage to simplify the procedures and promote the measures intended to consolidate institutional capacity and, not least, on how we identify the specific professional training requirements for the staff working with European funds.

In order to ensure better financial management of Community expenditure, along with the relevant transparency with regard to the management of the funds, I believe that it is particularly important for Member States to have efficient monitoring systems.

I also strongly believe that it is absolutely necessary to raise public awareness further in order to achieve a maximum absorption rate for the funds and the development of viable projects.

**Adrian Manole (PPE-DE), in writing.** – (RO) At European level, in the EU's future regional and cohesion policy, disparities are considered to be due to structural deficiencies in the regions in terms of key factors for competitiveness and especially due to a lack of innovative ability and enterprising spirit.

This situation could be remedied by adopting a strategic approach, namely, by boosting regional competitiveness throughout the entire EU, which is regarded as being vital to strengthening the economy as a whole and to limiting the risks entailed by congestion caused by the concentration of economic activities.

We must reiterate that eliminating these disparities would be possible only by launching a large-scale information campaign and establishing dialogue between citizens and civil society, or else the projects will continue not to be accessed.

Similarly, trouble-free implementation of programmes and projects with EU support requires high-quality management and control systems. Compliance with EU legislation, such as regulations governing the environment and equal opportunities, is a pre-condition for project funding. Before other payments are made, apart from fund advances, the Commission must ensure that the management and control systems fully comply with regulations.

**Siiri Oviir (ALDE), in writing.** – (ET) Territorial cohesion strengthens economic and social cohesion and is one of the essential components for the achievement of the objectives of the EU cohesion policy, as it helps effectively balance development differences both between and within Member States and regions.

Territorial cohesion also plays an important role in future developments in EU regional policy, as demonstrated by the addition of the principle of territorial cohesion to economic and social cohesion in the Lisbon Treaty.

In the context of the present economic crisis, the revival of the EU economy has become a very important topic, and this will be achieved through sensible investments, which are vital to economic success, scientific discoveries, technological innovation and jobs.

I wholeheartedly support the rapporteur's idea that the EU should, under the banner of territorial cohesion, stimulate greater interoperability and the transfer of knowledge between research and innovation centres and their surrounding regions, in order to achieve the maximum impact for European citizens from the investments made.

In order to cope more effectively with the problems and difficulties experienced by Member States during this time of crisis, we need a common EU cohesion strategy, in which the territorial dimension of the cohesion policy should be emphasised, and the specific special needs of each Member State must be taken into consideration in the application of policy measures.

We must launch today a broader discussion of the possible future of the regional and cohesion policy in the EU after 2013, and the possible form of Structural Funds in the coming programming period, in order thereby to help consciously improve the competitive advantages of the EU economy in the world.

**Richard Seeber (PPE-DE), in writing.** – (DE) In line with the European Union's motto of 'united in diversity', we must do more to make our continent a 'Europe of the regions'. Territorial cohesion plays an important role in this respect. For this reason, we should put the emphasis on making it into a separate objective, alongside economic and social cohesion.

During the process of strengthening the regions, we must pay particular attention to sensitive areas, as has been mentioned in the current cohesion debate. The increased costs must be taken into account, in particular in mountain regions, which are very time-consuming and costly to manage.

Providing compensation for these difficult conditions represents an important step towards creating a Europe where all areas are worth living in. In this context, we should highlight the agricultural industry. Milk production in the mountains makes an important contribution to the preservation of rural areas and should therefore be given sufficient support. Small and medium-sized enterprises which create jobs outside the major European commercial centres should also be helped. Overall the current debate on cohesion is setting the direction for modern regional policy and will take the traditional structure of Europe into the future.

**Bernard Wojciechowski (IND/DEM), in writing.** – (PL) In the years 2007–2013 Poland will receive over EUR 67 billion from the European Union budget. As part of these financial transfers, in 2008 alone the European Commission sent a total of PLN 19.3 billion to Poland. Specific features of the implementation of these programmes mean, however, that most of the payments will be made in the final years of the

programmes, that is 2013–2015. Unfortunately, fundamental restrictions have arisen which prevent effective realisation of Structural Funds in Poland. From the beginning of the programmes for 2007–2013 to the beginning of March 2009, nearly 8 400 agreements on financial support were signed, concerning total expenditure of PLN 15.4 billion. This includes a contribution from the EU of PLN 11.4 billion. Unfortunately, applications to receive payments from these funds amount to a total of PLN 1.75 billion. The excessively long procedures for awarding public procurement contracts can delay realisation of Structural Funds, and so contribute to the low level of absorption. Structural Funds are public funds which are subject to national public procurement legislation. This legislation must create a simple and effective procedure for selecting contactors. Excessively long tender procedures can delay realisation of Structural Funds. EU funds should be a means to mitigate one of the most serious effects of the financial crisis. Acceleration of expenditure will allow strengthening of the economy in 2009 by making investments in infrastructure, human capital and businesses to a value equivalent to at least around 1.3% of GDP. For this to happen the Government must facilitate access to EU funds and simplify procedures.

*(The sitting was suspended at 11.50 a.m. pending voting time and resumed at 12.05 p.m.)*

#### IN THE CHAIR: MR COCILOVO

*Vice-President*

**President.** – The next item is the vote.

*(For details of the outcome of the vote: see Minutes)*

#### 4. Voting time

**4.1. Agreement between the EC and Nepal on certain aspects of air services (A6-0071/2009, Paolo Costa) (vote)**

**4.2. Wheeled agricultural or forestry tractors (A6-0130/2009, Lidia Joanna Geringer de Oedenberg) (vote)**

**4.3. Community system of reliefs from customs duty (A6-0129/2009, Lidia Joanna Geringer de Oedenberg) (vote)**

**4.4. ECB statistics (A6-0119/2009, Sirpa Pietikäinen) (vote)**

**4.5. The EU priorities for the 64th Session of the UN General Assembly (A6-0132/2009, Alexander Graf Lambsdorff) (vote)**

**4.6. One year after Lisbon: the EU-Africa partnership at work (A6-0079/2009, Maria Martens) (vote)**

**4.7. The MDG contracts (A6-0085/2009, Alain Hutchinson) (vote)**

**4.8. Artistic studies in the European Union (A6-0093/2009, Maria Badia i Cutchet) (vote)**

**4.9. Active dialogue with citizens on Europe (A6-0107/2009, Gyula Hegyi) (vote)**

*– Before the vote*

**Gyula Hegyi, rapporteur.** – Mr President, I will be very brief. On my advice, the Socialist members of the Committee on Culture abstained during the final vote on this report.

As rapporteur, I was rather unsatisfied with the outcome of the votes on the amendments. Many of our fresh and pioneering ideas were voted out by other political groups. In my opinion, an own-initiative should be a brave – sometimes even provocative – document, free of the old dogmas. I planned to abstain, and to call on my comrades to abstain, in the plenary vote as well, but my wise and tolerant female colleagues convinced me that this would not be a good idea and that a watered-down report is better than nothing. So I would ask the House to support the report in its present form, in the hope there will be a chance to improve it in the future.

**4.10. The work of the ACP-EU Joint Parliamentary Assembly in 2008 (A6-0081/2009, Thierry Cornillet) (vote)**

**4.11. Regional policy best practice and obstacles to use of Structural Funds (A6-0095/2009, Constanze Angela Krehl) (vote)**

**4.12. Complementarities and coordination of cohesion policy with rural development measures (A6-0042/2009, Wojciech Roszkowski) (vote)**

**4.13. Cosmetic products (recast version) (A6-0484/2008, Dagmar Roth-Behrendt) (vote)**

**4.14. The placing of biocidal products on the market (A6-0076/2009, Daciana Octavia Sârbu) (vote)**

**4.15. Structure and rates of excise duty applied on manufactured tobacco (A6-0121/2009, Zsolt László Becsey) (vote)**

*- Before the vote*

**Zsolt László Becsey, rapporteur.** – (HU) In order to make today's vote less boring, I asked for the floor because this is a question that we were unable to debate at the plenary. I wish briefly to tell my fellow Members that we are at the end of a very long negotiation. This is a very sensitive topic, and I would like to avoid the same thing happening as with the subject of alcohol, on which Parliament did not give an opinion.

In this case we are considering a price increase from a health perspective among others, but we cannot be so fanatical as to introduce a price increase that certain Member States simply cannot sustain, or that would increase smuggling, especially in Member States on the periphery.

Therefore, I ask everyone to vote responsibly, and to consider a moderate, but definite price increase above the minimum level. Consequently, I would ask that you follow the voting suggestion I made regarding this matter, and which, after a certain compromise, was adopted by the Committee on Economic and Monetary Affairs. Accordingly, I ask all my fellow Members to act responsibly and in such a way that we may, with a large majority, be able to give an opinion to the Council on this much-disputed question.

**4.16. Combating female genital mutilation in the EU (A6-0054/2009, Cristiana Muscardini) (vote)**

*- Before the vote*

**Lissy Gröner, on behalf of the PSE Group.** – (DE) Mr President, the Socialist Group in the European Parliament would like to vote in favour of this alternative resolution. However, we would like to state that in recital G 'sexual and reproductive health' should not be seen as a step backwards in relation to decisions that have already been made. It is important to us that the sexual and reproductive rights of women are recognised.

#### 4.17. Multilingualism: an asset for Europe and a shared commitment (A6-0092/2009, Vasco Graça Moura) (vote)

- *Before the vote*

**Vasco Graça Moura, rapporteur.** – (PT) Mr President, my report is in line with all the previous documents on multilingualism, whether they came from this House, the Council or the Commission.

The alternative tabled is an attempt to bring into the European Parliament certain nationalist disputes that are ongoing in Spain. Just yesterday the Spanish newspaper *El País* reported that the Spanish Supreme Court decided three months ago that a box should be included on pre-enrolment forms asking parents in which language they want their children to receive their education, and also that the Catalan authorities are not complying with this decision.

The signatories of the alternative do not want this right to be recognised for parents in countries with more than one official or regional language.

They do not want to recognise the vital need for education in the mother tongue, not only for educational success in general but also in particular for the learning of other languages.

They do not want to ensure full mutual intelligibility between the languages spoken in a country in this situation, especially in relation to senior citizens and to the legal system, health, administration and employment.

They do not accept that, in these countries, one language should not be promoted at the expense of the rights of speakers of another language or other languages.

This contradicts everything that this Parliament and the other European institutions have upheld.

As a result, paragraphs 11, 12, 14 and 17 of my report are omitted from the alternative. Looking at these paragraphs, such negative positions clearly clash with our fundamental rights and freedoms and patently infringe the principle of subsidiarity.

My report does not attack or harm so-called minority languages. It respects these and recognises their value, but it also tries to lay down general and basic principles.

This House cannot be an instrument of extremist nationalism nor of regional or local hatred or aversion. It is our responsibility as MEPs that is at stake. I therefore urge you to vote against the alternative and in favour of the report that I have authored.

**President.** – Ladies and gentlemen, please may I have your attention for a moment. There is a request to speak and there may be others. Knowing their contents as I do, I take it for granted that the statements made just now by the rapporteur will not have the support of some Members, but, as you know, provision has only been made for the rapporteur to take the floor for two minutes; there is no provision for opening the debate.

I am therefore unable to give the floor and re-open the debate; I can only do this if there is a request to speak on a point of order in accordance with the Rules of Procedure. If we are talking about a point of order, then Mr Guardans Cambó has the floor. Do not think me rude if I take it away from him as soon as I realise that it is not a point of order on problems relating to the Rules of Procedure.

**Ignasi Guardans Cambó (ALDE).** – Mr President, this is indeed a point of order. I will not enter into a debate, but the rapporteur has just said something that does not correspond to what is going to be put to the vote. He said that the alternative motion deletes four paragraphs of his original resolution, and that is not true: there are just changes in their numbering. Of the four cases he quoted, only one is not in both resolutions. That is a statement of fact. The other three are in both resolutions.

(*Heckling*)

So this is a point of order concerning clarification. Members are voting on what he asked them to vote. There is just one case, which has nothing to do with the Spanish Supreme Court, that is different in both resolutions. As the rapporteur's statement was not correct, I think this constitutes a point of order.

**President.** – Thank you, Mr Guardans Cambó. We shall now proceed to the vote. Amendment 1 is put to the vote. Voting will take place by roll call. The vote is open.

**Cristiana Muscardini (UEN).** – (IT) Mr President, ladies and gentlemen, I just wanted to ask whether it was not considered ridiculous that a person's report can be stolen and an identical one presented in its place, when, under the old system, amendments were tabled. For this reason, I invite you to review our Rules of Procedure, as they are causing an incredible amount of confusion and officially allowing an injustice to be done.

**President.** – I shall take responsibility for raising this matter again in the Bureau, even though you know that some regulatory powers are taken away from the Bureau and exercised via coordination of the group chairmen, but whoever's job it is to decide, if it is ridiculous, it will remain ridiculous, it will certainly not change.

#### **4.18. Green Paper on territorial cohesion and debate on the future reform of the cohesion policy (A6-0083/2009, Lambert van Nistelrooij) (vote)**

#### **4.19. Urban dimension of cohesion policy (A6-0031/2009, Oldřich Vlasák) (vote)**

#### **4.20. Implementation of the Structural Funds Regulation 2007-2013: results of negotiations on national cohesion strategies and operational programmes (A6-0108/2009, Miroslav Mikolášik) (vote)**

#### **4.21. A European initiative for the development of micro-credit in support of growth and employment (A6-0041/2009, Zsolt László Becsey) (vote)**

### **5. Explanations of vote**

*Oral explanations of vote*

#### **- Report: Maria Martens (A6-0079/2009)**

**David Sumberg (PPE-DE).** – Mr President, I rise in respect of the Martens report, because its title, 'One year after Lisbon', gives me the opportunity to reflect on where we are, one year after Lisbon, in the European Union. Where we are is in absolute chaos: we cannot respond to the economic crisis; there is a return to protectionism, particularly by the Government of France, and there now has to be a recognition that the Lisbon Treaty is not merely wrong but is ineffective.

We have listened – or we should have listened – to the people of Ireland, who made it perfectly clear in their referendum that they did not want this Treaty. But, if we did not listen before, we should listen now. This is a Treaty that is unloved, unwanted and, most importantly, ineffective, and this Parliament should recognise the fact.

**Nirj Deva (PPE-DE).** – Mr President, I am very conscious that the Treaty of Lisbon is, as my colleague David Sumberg has just said, a train wreck as regards the European Union.

However, I want to focus on the excellent report that Maria Martens has produced. It talks about something very fundamental in the way we disburse our aid. Maria Martens has identified that, if national parliaments in the ACP countries are not empowered to look at the country strategy papers and discuss them in a transparent fashion, then the funds that the EU provides ACP countries could be used in the wrong way. It gives power to the national parliaments in ACP countries to scrutinise the development assistance that is being provided, in the same way that the Lisbon Treaty should have given more power to national parliaments within the EU to scrutinise what we are doing here. Ms Martens' report takes into account accountability and transparency, so I support it.

**Syed Kamall (PPE-DE).** – Mr President, I agree with my colleague who spoke previously, Mr Sumberg, when he reflects on the Lisbon Treaty and where we are one year after Lisbon itself. However, I really want to focus on the EU-Africa Partnership aspect of that.

In any partnership, I think it is important that we recognise who our dialogue is with; often it is government-to-government. But, if you speak to the entrepreneurs – the wealth creators – in many of the African countries, they are the ones who are saying to us: ‘help us to help our governments open up markets so that we can have access to the goods and services that you take for granted in the West’. Only by helping the entrepreneurs can we really help to create wealth and pull the continent out of poverty. Let us not forget: it is the wealth creators who are the key to development and not necessarily the aid organisations only.

**Philip Claeys (NI).** – (NL) Mr President, I voted against Mrs Martens’s report, but not because I believe that this report is entirely unbalanced; on the contrary, there are a number of points in the report that are absolutely and definitely correct. The problem comes when a report of this nature fails to make even so much as a murmur about the problem of illegal immigration, despite the fact that it is a very important problem when we are discussing problems relating to cooperation with Africa on development.

I also find it strange that the report calls for the European blue card scheme to discourage the attraction of any Africans from sectors where they are needed in Africa. That, you see, is a fundamental part of the whole blue card system. The problem with the blue card is that it organises the brain drain of precisely those people who are absolutely necessary for the development of developing countries. We attract these people to us, which means the problems in Africa get worse and there is then even greater immigration to Europe. This is fundamental and we should therefore be having a debate about that instead of just one passage being devoted to it in a report.

**Czesław Adam Siekierski (PPE-DE).** (PL) – (*microphone initially disconnected*) ... is a comprehensive set of tools to help the countries of Africa in their development. It is a comprehensive package as only comprehensive solutions can have any result in the multiplicity of problems that have accumulated in Africa.

What have we got so far? Over the past few years we have witnessed China showing a great interest in Africa and carrying out an expansive policy of investment there. Such initiatives will contribute to the development of the continent, but only if it is Africans, particularly the local populations, who will largely be involved in building up prosperity, rather than the employees of foreign businesses investing there.

The European Union owes its success to the gradual raising of economic barriers. It needs to support the economic development of individual states, to develop a network of mutual ties, and to increase the availability of African products on the world market.

#### **- Report: Alexander Graf Lambsdorff (A6-0132/2009)**

**Charles Tannock (PPE-DE).** - Mr President, I abstained – along with the British Conservative delegation – on the Lambsdorff report on the priorities for the UN General Assembly 64th session. My party strongly supports the work of the UN, although accepting it is an imperfect organisation in need of reform. However, there were a number of issues mentioned in this report where British Conservatives disagree strongly, such as the role of the ICC and the abolition of the Security Council permanent seats of the UK and France, to be replaced by a single permanent seat for the European Union. We also believe the application of the death penalty on adults is an issue for an individual Member’s conscience and we do not have a party political line on this. So we abstained overall.

#### **- Report: Maria Martens (A6-0079/2009)**

**Gay Mitchell (PPE-DE).** - Mr President, I want to make a point on Ms Martens’ report.

Firstly, let me say that the Lisbon Treaty is not a train wreck and it is nonsense to be saying that. Twenty-six of the twenty-seven Member States of the European Union will ratify or have ratified it, and that includes the British Parliament. It is a pity that British Members do not respect their own parliament in some of the comments they are making here.

The Irish people expressed certain concerns about some issues, and the Irish Government and Parliament are seeking clarification on those. If we get those clarifications and the people vote ‘yes’ in a second referendum later this year, will they come in here with their leprechaun hats and perform in the same outrageous manner that they did at the previous one? Leave Irish business to Ireland. We do not need any assistance in this from people it took us 700 years to get out of our country!

Concerning the Lisbon Treaty, let me say that the population of the European Union will be 6% of the world’s population within the next generation. China and all of those countries will be very powerful.

**- Report: Alain Hutchinson (A6-0085/2009)**

**Zuzana Roithová (PPE-DE).** – (CS) Mr President, I would like to explain why I refrained from voting on the Hutchinson report. As a member of the ACP-EU Assembly I agree that development aid is not always effective. It is not well coordinated and it has high administrative costs. The rapporteur says that partner countries do not always identify with development strategy but that state aid is the only effective instrument – and here I agree – although it should of course be more predictable. I firmly believe that we must first and foremost harmonise priorities with other providers of financial assistance such as the US and countries which support their former colonies. The rapporteur has also underestimated the impact of China's investment policy on developing countries. This policy does not respect either millennium development goals or other goals, but respects solely and exclusively Chinese commercial interests.

**Nirj Deva (PPE-DE).** - Mr President, I want to congratulate my colleague Mr Hutchinson on the excellent report he has written on a very important subject. The Commission and the European Union give a vast quantity of money to developing countries, the majority of which to Africa. About 50% of Africans still live on less than USD 1 a day and 75% of aid victims all over the world come from Africa.

Given these appalling statistics it is right that we should give support to Africa, to provide clean drinking water and allow the African population to develop sustainably. However, when we give money to African governments, as the Commission now does under something called 'budgetary support', we should also insist that budgetary support given to African countries be scrutinised by their own parliaments in a very rigorous way and that the financial agreements signed between the Commission and the African nations are open to public scrutiny and transparency in the national parliaments of African countries and the ACP countries. This is a very important point to make in order to safeguard European taxpayers' money.

**- Report: Maria Badia i Cutchet (A6-0093/2009)**

**David Sumberg (PPE-DE).** - Mr President, all of us in this Chamber are in favour of the arts and of promoting the arts and education in our respective countries. I hope that nobody would argue against that.

However, the problem with this report is that, once again, it is calling for an EU perspective, and that is not appropriate. The diversity of the European Union is that all the different nation states have different cultures, different histories and different backgrounds, and it therefore seems to me important that arts and education should be a matter for determination at national level. This is not an area for interference by the European Union or the European Parliament.

'Let a thousand flowers bloom' was, I think, the great phrase. Well, let 27 flowers – at least – bloom in the European Union, but let them bloom separately. I believe that, if we do that, they will flourish far better and live far longer.

**Hannu Takkula (ALDE).** - (FI) Mr President, I wish to thank Mrs Badia i Cutchet for her report.

Following on from Mr Sumberg's poetic speech, I would like to say that it is very important that the flower of culture is able to bloom to its full extent, and that includes Europe. It is vital that education does not merely focus on knowledge and examinations, but that we also bear in mind the importance of human growth. Culture, art and sport are of major importance if we want to build the whole personality.

In this respect it is only right to remind state school systems, through a process of open coordination, of the need to keep higher arts education in the timetable, and that should include Europe, because Europe is well known for its diversity, its pluralism, its great art tradition and its culture. It is also appropriate for us to get to know the culture of other countries and the great European cultural figures in the various cultural fields.

**Ewa Tomaszewska (UEN).** - (PL) Mr President, the universal nature of European art shows the need to give schools back their roles as the main centres for spreading culture. This is an opportunity to democratise access to culture. Art education develops sensitivity and opens up creative potential. It should be an obligatory element of the school curriculum at all levels of development.

The European Year of Art and Innovation is an excellent occasion to restore art to its rightful place - in education as well – so that its integrational role can be appreciated. Protecting the traditional cultural identity of individual regions and the ability to find out about them thanks to mobility, including in the field of cultural education, is a further chance for creative development.



That is why setting up a community mobility framework for Europeans engaged in artistic and creative activity is so important. That is the reason for my vote in favour of the report, although I would also protest against the fast-track procedure of the debate on this document, and its adoption with practically no debate.

**Avril Doyle (PPE-DE).** - Mr President, I have always considered all good sport to be art. As an example of art in the European Union, could I refer to the all-Ireland rugby team's win at the Millennium Stadium, Cardiff, last Saturday, where we beat the Welsh in a study of sporting and artistic excellence second to none? We have also beaten the English, the French, the Italians and the Scottish. This all-Ireland team won the Six Nations – the Grand Slam. Sport is art, art is sport. We must recognise this wonderful achievement.

**President.** - Mrs Doyle, had I known that you would bring up the Wooden Spoon award for the Italians, I would not have given you the floor on this point.

**- Report: Gyula Hegyi (A6-0107/2009)**

**Dimitar Stoyanov (NI).** - (BG) I am taking the floor to explain why the Attack party delegation is voting against this report.

This is certainly not due to the many positive points raised in it from the perspective of the transparency of the institutions' work. We are obviously in favour of transparency in the European Union institutions' work, but we are against the fact that this transparency can only be achieved solely through adopting the Lisbon Treaty and by putting this Treaty, which is already 'dead' for us, on the agenda again, with many such new reports which otherwise adopt a different position or deal with a different issue.

Apart from this, from the perspective of the Lisbon Treaty, we are against the adoption of this Treaty because it will open the gates to membership for Turkey. Turkey's membership of the European Union means economic and demographic death for Bulgaria. This is why we voted against this report.

**David Sumberg (PPE-DE).** - Mr President, when I saw the title of this report – 'Active dialogue with citizens on Europe' – I thought it was a bit of a joke, because the fact of the matter is *if only* we had active dialogue with the citizens of Europe. The point about dialogue is that it is not a monologue: you have to listen to what the citizens of Europe say. The citizens of Europe in the Netherlands, in France and in the Republic of Ireland have said very clearly, in relation to the Lisbon Treaty, that they do not want that Treaty.

If, therefore, this Parliament and all the European institutions want to have dialogue with their citizens, which is a good idea, let them proclaim without any equivocation that it is dialogue which they will respond to, and that they will listen to what the citizens say. It is an utter waste of time this Parliament even debating or reporting or voting on the idea of dialogue if collectively – and that is the truth about this Parliament – it refuses to acknowledge what is said to it and refuses to respond to it. That is its failure.

**Marian Harkin (ALDE).** - Mr President, this is a very important report – I agree with the rapporteur that perhaps we could have been braver and pushed out the boat a bit more.

As a Member from a country that votes on every single treaty, I am acutely aware of the need for a continuing active dialogue with citizens. It is my experience that more and more people are losing faith and trust in institutions. The EU represents a huge institution and we have a massive responsibility to ensure that active dialogue is core to what we do.

I am particularly supportive of paragraph 32, and I thank the rapporteur for supporting my amendment on the fact that the European Year on Volunteering in 2011 will be an ideal opportunity for EU institutions to connect with citizens.

We have called on the Commission to submit appropriate legislation on preparing for 2011, and this they have started. We must now ensure that we have a meaningful dialogue with the 100 million volunteers across the EU and ensure that their views and opinions will form the core of any new plans, policies and programmes and that active dialogue with citizens will guarantee a strong, solid EU.

**Hannu Takkula (ALDE).** - (FI) Mr President, Mr Hegyi's report is excellent and necessary. We need active dialogue between European nations and citizens. We need understanding on both sides. We also need tolerance so that we are prepared to listen to what different people have to say. We also need that in this House, in the European Parliament.

I thought it was very sad that some Members walked out of this House when President Klaus was speaking, and that that should happen during the current Czech Presidency. Are they not prepared to listen to the views of different citizens, presidents, institutions and individuals on European matters generally?

We should be prepared to listen to different points of view. We need interaction and dialogue, and these we also need at grassroots level, so that the public can feel they can have a say in matters and so that they might not have an image of the European Union as just a debating club for a small elite. I support the proposal that there should be an increase in active and tolerant, European-wide dialogue at all levels. That is what we really need.

**Nirj Deva (PPE-DE).** - Mr President, during this economic crisis something very odd happened on the way to the forum, as they used to say. The people of Europe did not look to the European Union to save them from the economic crisis. They looked to their Member States and their national governments to save them from the economic crisis. The man who claims to have saved the world is about to come here in a couple of hours' time but, leaving that aside, it is to the national governments – in Paris or London or Washington or Rome – that the citizens of those countries (who also happen to be told that they are citizens of Europe) look to save them, not this larger entity called the EU.

May I ask why that happened? May I ask those who bang on about the EU being this magnificent machine to ask themselves that question? I can give you the answer. The answer is that there is no demos, there is no connection between the EU institutions and the people. The people still look to their national governments to save them.

**Ewa Tomaszewska (UEN).** - (PL) Mr President, I protest against the way this report is being dealt with. Building the confidence of the citizens of the EU Member States in the European institutions means not just being aware of their strategies and actions, which is often lacking. It is above all the feeling that there is codecision, that there is an opportunity to have one's say in the EU, that the rights given by the Treaties have not been infringed.

A European citizens' debate organised in all of the EU Member States is the best way of reassuring people that things in the European Union really do depend on the citizens of the countries that make it up. It is the best way of preventing the 100 or so persons involved in drafting the most important tasks the EU institutions have to implement on behalf of all Poles from feeling cheated. The list of demands should be given serious consideration. This also applies to the documents drafted by participants in the debate from other countries. This also makes the blocking of any real discussion on the issue of dialogue with citizens in the forum of the European Parliament all the more surprising.

**Martin Callanan (PPE-DE).** - Mr President, this report is about active dialogue with citizens, and the best kind of active dialogue with European citizens is one based on listening to what they say in democratic votes. There is a great irony in this Parliament adopting this report whilst, at the same time, completely ignoring some of the democratic decisions that have been taken in Member States. No wonder the European Union is so unpopular in my constituency of North-East England and elsewhere in Europe. Its idea of democratic dialogue is only one way: the EU does not listen to what people have to say and only tells them what they can think and how they can vote.

Looking back over the past 10 years, France, the Netherlands and now Ireland – twice – have all voted to put the brakes on greater European integration, and yet the EU has completely ignored their opinions.

By seeking to listen only to those EU-funded NGOs, how can that be reflective of popular voter opinion? The best kind of dialogue with citizens is to listen to what they say in free democratic votes and referendums.

**Syed Kamall (PPE-DE).** - Mr President, I do think there is a misconception when we talk about active dialogue with citizens on Europe, because we often confuse dialogue with citizens with dialogue with civil society. We often confuse dialogue with citizens with dialogue with organisations either wholly or partly funded by the Commission. In effect, we have EU institutions talking to organisations funded by the Commission, which, in the end, means by taxpayers' money.

So, when we actually give citizens the right to have their say – as we did on the Constitution in France and the Netherlands and on the Lisbon Treaty in Ireland – and they say 'no', what do we do? We completely ignore the result of the vote! When the people have said 'no', dialogue does not mean making them vote again and again and again until you get the result you want. That is not dialogue. That is an abdication of democracy. It is time that we genuinely engaged in active dialogue with citizens.

**Jim Allister (NI).** - Mr President, after five years in this House, there is little in reports that can surprise one. But I do have to say that I was staggered by the sheer arrogance of aspects of this report and the calculated insult to those who dare not to roll over in sycophantic endorsement of the European project. To say in this report – as it does – that the less educated are more likely to oppose further European integration is an audacious insult and arrogance of unbelievable proportions.

The truth is that those who bothered to read the EU Constitution or the Lisbon Treaty and educate themselves about it are exactly the people more likely to vote against. Those more likely to vote for it are those – like Commissioners – who never even bothered to read the documents and simply accept the propaganda. So I do reject the insult of this report.

Could I also say, in response to Mr Mitchell's first outburst – his Republican outburst about getting rid of all the British out of the island of Ireland over 700 years – that he should be glad they did not entirely succeed because he did need the help of some British subjects from Northern Ireland to attain the rugby victory in the Six Nations.

**Neena Gill (PSE).** - Mr President, I voted for this reluctantly, not because of the nonsense that has just come from the other side of the House, but because I share the concerns of the rapporteur, Mr Hegyi.

This report has been really watered down by those in this House who do not want to have active dialogue with the citizens of Europe. For me, active dialogue does not mean glossy brochures, and I do believe that the Commission has failed in this area. It has failed to actively engage and connect with the citizens. It has failed to get across a greater understanding of how the work that is being done at EU level is addressing many of the real issues that affect citizens' everyday lives. I hope that, as a result of this report, it will revisit it and come up with some more imaginative ways of addressing this issue.

#### **- Report: Wojciech Roszkowski (A6-0042/2009)**

**Jim Allister (NI).** - Mr President, I welcome this report because it raises issues that need discussion.

I particularly endorse the sentiments of the rapporteur that rural development measures should not drain resources intended for direct payments to farmers. Hence I join in questioning whether rural development funding should be linked to the common agricultural policy at all, as this inevitably leads to depriving farmers of previous methods of funding. Whereas, if it were instead an inherent part of cohesion funding, there would not be that opportunity to poach farming funds.

Thus I welcome the declaration in the report that the population employed in agriculture should be the main focus of support measures under rural development policy. That balance has been distorted in many rural development programmes, including those affecting my region of Northern Ireland.

#### **- Report: Dagmar Roth-Behrendt (A6-0484/2008)**

**Kathy Sinnott (IND/DEM).** - Mr President, I voted for this report and I welcome it. For a long time we thought that the only thing that affected us was what we swallowed. I think the work done in this report really highlights the fact that anything we put on our skin goes into our system just as effectively as if we ate it.

Many of the diseases that particularly affect women, like breast cancer, fibromyalgia, ME etc., are on the increase. I think we should now go beyond this, not just to make sure that cosmetics are safer, but we should also begin to do real research on the relationship between some cosmetic ingredients and these kinds of diseases that affect women and also try to come up with safer cosmetics, because of course we all want to continue to use cosmetics.

**Neena Gill (PSE).** - Mr President, I welcome this particular report because the testing of cosmetics is an issue that concerns many of the constituents in my region, West Midlands, and I have received a lot of correspondence on this issue. I welcome this report and supported it because it establishes pan-European standards on the use of potentially harmful materials and sets standards for testing claims that cosmetics manufacturers make, but we need similar standards set for claims about animal testing. Last time we looked at this report we dealt with the testing on animals for scientific purposes. We now have an important tool in increasing customer awareness of what goes into cosmetics, which would only be enhanced by a focus on animal testing.

**- Report: Daciana Octavia Sârbu (A6-0076/2009)**

**Kathy Sinnott (IND/DEM).** - Mr President, I voted for this report and for a stronger control of biocidal products, but I wanted to take this opportunity to point out that, in Ireland, we legally put a toxic pollutant into our water – a biocidal product called fluoride. I want to congratulate the Commission on opening a consultation process in which they are welcoming scientific papers, opinion from the public etc. on the issue of the pollution of drinking water with a toxic ingredient called fluoride.

**- Report: Zsolt László Becsey (A6-0121/2009)**

**Avril Doyle (PPE-DE).** - Mr President, I voted against this report because I feel it has weakened the Commission's proposal to apply higher rates of excise duty on manufactured tobacco products. Studies have consistently shown that the most effective and permanent way of influencing people's behaviour away from tobacco consumption is through taxation.

Studies in Ireland by University College Cork have shown that, after a complete smoking ban in workplaces was introduced in 2004, admissions for heart attacks in the area fell by 11% the following year. Ireland also has the highest excise duty on tobacco in the Union, which amounts to EUR 4.99 per pack of 20 cigarettes, bringing the price to over EUR 8 per pack.

The benefits of a combined approach of deterrent pricing and taxation policy, smoking bans, public education campaigns and increased access to nicotine-replacement therapies, for people who wish to stop smoking, has innumerable health benefits and consequent health improvements for the general population.

The Czech Republic is the only Member State of the EU yet to ratify the UN Framework Convention on Tobacco Control, and yet tobacco is responsible for over one million deaths in the EU. Could you, as President of our Parliament, demand the Czech Council Presidency, on all our behalves, to make good this serious omission before its Presidency is up?

**- Report: Maria Martens (A6-0079/2009)**

**Richard Corbett (PSE).** - Mr President, it seems that many on the other side are using the explanation-of-vote procedure on various reports to talk instead about the ratification of the Lisbon Treaty. In that, they are making unfounded claims that the people have spoken against the Lisbon Treaty and that we do not want to listen to them.

Quite apart from the fact that it is up to Member States – not us – to ratify the Lisbon Treaty, this is of course totally wrong. One Member State has said 'no', we are listening and indeed we have to listen. The other Member States have indicated they are willing to listen to the reasons for that 'no', to take account of it and to move forward on that basis. But when Mr Dover does not even appreciate the difference between the Constitutional Treaty and the Lisbon Treaty and says that France and the Netherlands rejected this Treaty, he conveniently forgets to point out those countries that had referendums to support the Treaty.

We do not just want to listen to one side of the argument. We want to listen to both sides and bridge the gap, find a solution acceptable to every Member State. They only want to listen to those people who vote 'no'. It is they who are guilty of not listening to the peoples of Europe. It is they who do not accept democratic results, only the result that is convenient to them and not the overall situation of all Member States.

**- Report: Cristiana Muscardini (A6-0054/2009)**

**Marian Harkin (ALDE).** - Mr President, I fully support recital 5 to this report. I am involved in such a case in Ireland at the moment, where a mother has fled her home country of Nigeria with her two daughters after her eldest daughter died as a result of female genital mutilation (FGM). At the moment her case is before the European Court of Human Rights and the Court has written to the Irish Government either to defend the case or reach what they call a friendly settlement.

Recital 5 states that female genital mutilation constitutes a violation of human rights and that an increasing number of asylum requests by parents are justified by the threat to which they may be subject in their own country for having refused to consent to their child undergoing FGM. I hope the Court of Human Rights takes our statement into consideration when delivering its verdict in this case.

Finally, I agree with Mr Corbett that there has been a lot of talk about democracy here today but – for those who take the time and trouble – if one adds up the number of people who have voted on the Constitution

and the Lisbon Treaty in all the referenda in Europe, there are in excess of 27 million Europeans who have said 'yes' and 24 million who have said 'no'. That is democracy in action.

**Eleonora Lo Curto (PPE-DE).** – (IT) Mr President, ladies and gentlemen, thank you for giving me the floor. I wish to express my full support for the attention paid today by this Parliament to such important issues as the right to health, the right to sexual identity, the right to protection of mental health and the physical and mental integrity of women, which is very often violated by these gynophobic practices.

Europe stands out for this commitment to human rights, as we heard just now from the Member who spoke before me. Children are dying and women are dying precisely because of these practices, which are completely unacceptable. Europe is doing well to commit itself in this way and to demonstrate the major responsibility that is being assumed in a bid to ensure that the laws are harmonised along these lines.

**Kathy Sinnott (IND/DEM).** – Mr President, I would have loved to have voted for the Muscardini report on female genital mutilation because I have supported a ban on this barbaric practice for many years and I am also supporting a family's case because they are threatened with this practice if they go back to their home country.

However, as habitually happens, colleagues use the plight of mutilated girls and women to promote once again the abortion agenda by slipping in the mantra of 'sexual and reproductive rights' in this report.

*(Following the correction to Mr Mitchell's vote on this report, reflecting the final wording of the text, his oral explanation of vote no longer applies.)*

#### **- Report: Vasco Graça Moura (A6-0092/2009)**

**Milan Gaľa (PPE-DE).** – (SK) Mr President, I would like to thank my colleague from the Committee on Culture and Education, Mr Graça Moura, for his work on drafting the report, which I supported in the vote. It relates to documents we have already dealt with before in the European Parliament. Enlargement has contributed to the linguistic diversity of the EU. Today we speak 23 languages and a further 60 plus dialects in regions or in groups.

Globalisation and emigration are contributing to the broad palette of languages used by Europeans every day. Linguistic diversity is therefore undoubtedly one of the most characteristic features of the European Union, affecting the social, cultural, and professional lives of its citizens, as well as the economic and political activities of the Member States. I consider the Commission Notification in this area to be exceptionally important. I agree with the rapporteur that the linguistic and cultural heterogeneity of the EU represents an enormous competitive advantage and that we clearly have to support programmes for language teaching and school cultural exchanges.

**Michl Ebner (PPE-DE).** – (IT) Mr President, ladies and gentlemen, with regard to the Graça Moura report, I must say that our colleague has done an excellent job. I just wanted to raise a point of order concerning this system – Mrs Muscardini has already raised this issue today – I hope that you pass on our requests to the effect that it should not be possible to put to the vote what are in fact two virtually identical reports and thus penalise the rapporteur. This has happened to me in this case and it is something that I did not wish for.

It is precisely for this reason that I should like to emphasise once again the very positive work done by our colleague, Mr Graça Moura, even though the other resolution, for which I also voted, was subsequently accepted. My vote was not a negation of the Graça Moura report; quite the contrary.

**Hannu Takkula (ALDE).** – (FI) Mr President, firstly I wish to thank Mr Graça Moura for his excellent work. He has dedicated himself wholeheartedly to these issues of language, and it is absolutely true that language is a fundamental right. Language lies at the heart of one's identity, and that is why we in the European Union should nurture multilingualism.

We voted for an alternative resolution, however, in preference to the original report. I myself took part in drawing up the alternative resolution, and it is perhaps apposite to mention why we set about drafting an alternative to Mr Graça Moura's highly commendable work. The reason was that we would like in particular to guarantee the status of minority languages.

As they say, we in Europe are only as strong as our weakest link – which the worst-off people in our society are. That is why we have to ensure that minority groups, for example the Sami in my country, Finland, retain the right to use their mother tongue and receive basic services in their own language. We need to take

responsibility for them, just as we do all other indigenous peoples. For that reason it is very important that the European Union discharges its cultural duty and ensures the viability of all languages, including minority ones.

**Frank Vanhecke (NI).** – (NL) Mr President, although the alternative resolution on multilingualism in Europe ultimately adopted was much better than the original text that was before us, I still voted against it after deliberation; after all, both resolutions, the one adopted and the original, call for the promotion of a European Agency on linguistic diversity. While that may indeed sound good and I would be behind it in principle, I then read on and see that, for example, non-European immigrants are to be encouraged to continue to use their mother tongue over here, that the European Parliament is even calling for the mother tongues of foreign minorities, or of minorities originating abroad, to be included in school programmes and for Member States not only to encourage the use of the original languages but, in particular, to encourage the use of the immigrants' main language. I am sorry, but this is madness. It will lead to the opposite of adaptation and assimilation. That is the opposite of what is actually required in all European countries.

**Philip Claeys (NI).** – (NL) Mr President, I too voted against the report on multilingualism. Although I remain a convinced supporter of promoting multilingualism, both the original report and the amendment that was eventually adopted put forward a number of ideas that are problematic if they are to be implemented in practice. The report seeks, for example, to encourage immigrants to continue to use their original languages, something which is itself a problem in many Member States because they fail to learn the language of their host country satisfactorily, with all the attendant consequences.

Another potential problem is the way in which the report deals with Member States where there is more than one official language. There is, of course, a need to take account of specific situations, such as in Belgium, where each region, with the exception of Brussels, is officially monolingual. In Flanders we face the problem of a large number of French-speaking immigrants who refuse to adapt to the Dutch-speaking character of Flanders, and it is not Europe's job to interfere there and to promise all kinds of non-existent rights.

**Mario Borghesio (UEN).** – (IT) Mr President, ladies and gentlemen, I share many of the reservations expressed in this report concerning the encouragement given by the European Union to the continuation and development of languages of origin – even though the general philosophy of the reports is worthy of attention and support – and this is because, today, in the face of these legitimately raised problems, we run an even greater risk, which is that of seeing European languages die out as a result of our being forced, in this House as elsewhere, to use standardised spoken and written English. This is a very serious risk that must be addressed.

We must not forget the rights of local languages. National languages are dying out: they have difficulty in expressing themselves, but local languages are disappearing in a truly shameful fashion, when they should be protected, as is the case in Italy with the federalist reform that we are trying to propose and implement.

Is the European Union doing everything that needs to be done to protect local languages? We heard Mrs Lo Curto speak a moment ago. It would certainly be very nice to hear her speak at times in the beautiful Sardinian language, since I am sure she knows it. I should like to speak occasionally in the Piedmont language, but in our Parliament's library there are no cultural documents, magazines and so on relating to languages of cultural identity or local languages.

Therefore, before Europe worries about protecting itself from the standardisation of third-country languages, it should worry about our minorities and our local languages.

**Eleonora Lo Curto (PPE-DE).** – (IT) Mr President, ladies and gentlemen, Mr Borghesio, I am Sicilian, and Sicily is the cradle and land of a great civilisation and a great history, and we hope that it will be able to forge a future for itself that begins with independence, and therefore I can of course only agree on the need for greater attention to be paid to the mother tongues that we should learn to speak more and more and, above all, should learn to pass on to our children.

Above all, I am picturing the history of emigration that there has been in Italy, but in other countries too, I believe, and that today causes and is in danger of causing the new generations of these Sicilians – like the Venetians, Sardinians and countless others in Europe who have undergone this process in the past – not to remember, no longer to be able to speak Sicilian, Venetian and Sardinian, respectively.

In an effort to see this great institutional theatre of Europe also become the cradle of such diversities and such autonomous identities as those which I hope for in the Europe of the regions that we shall learn to

celebrate in the future, I therefore call, Mr President, for more and more people to come to prominence through the use of our languages, too.

**Avril Doyle (PPE-DE).** - Mr President, I abstained on this report for two reasons, even though I fully agree with the title 'Multilingualism: an asset for Europe and a shared commitment'.

We have been told here today that the report deals with 'certain national quarrels in Spain'. I am very sceptical about using a debate on multilingualism and on the promotion of language as a sort of cover, or proxy, or political bargaining tool for the various national issues in all our Member States, and that appears to have happened in relation to some of the debate on this at committee and here.

I do not attack any of the rights of minority language speakers. In fact, I fully defend them and I really do feel that we must respect the right of our EU citizens whose first language is a minority language. There has to be a place for these languages in the European Parliament, but not necessarily as official working languages, especially if these citizens happen to be equally fluent in English – as in our case. Contributing to important debates in plenary and at committees, for example, in a minority language that has then to be translated passively and into over 20 other languages compromises the whole purpose of democratic debate through the lost nuance in translation, and maybe even misunderstanding. Our democratic mandate here is to persuade as many people as possible to see our point of view, and the difficulty of getting a sufficient number of suitably qualified interpreters is another matter altogether. I therefore abstained for these two reasons.

**- Report: Lambert van Nistelrooij (A6-0083/2009)**

**Michl Ebner (PPE-DE).** – (IT) Mr President, ladies and gentlemen, I should like to say that I voted in favour of the van Nistelrooij report, but I would also take this opportunity, for the benefit of the few spectators who remain, to say that, if, instead of continuing to go around the European Union and around their constituencies speaking ill of the Union, those Members of this House who today so roundly criticised the European Union and its procedural method were to provide much more objective information, this would undoubtedly create a completely different atmosphere.

With regard to the van Nistelrooij report, cohesion policy was conceived along these very lines in order to create solidarity and to establish cooperation and, above all, in this time of crisis, I believe that the European regions – not only the nations, but also the regions – should cooperate, should strengthen their positions and should improve the quality of life of their inhabitants. It is precisely for this reason that the van Nistelrooij report was very deserving of my vote in favour.

**Rumiana Jeleva (PPE-DE).** – (BG) I voted in support of the report on territorial cohesion because I firmly believe that this concept should be developed and applied as a horizontal principle underpinning all the Community's policies and actions.

During today's debate on the cohesion policy, we called for a significant reinforcement during the next programming period of the direct involvement of regional and local authorities in the planning and implementation of the relevant programmes. The European Union's policies, and more particularly the cohesion policy, have transformed governance from an often centralised system into an increasingly integrated, multi-level system.

This is why I think that Member States must be encouraged to establish a system of territorial governance based on an integrated 'bottom-up' approach, which also allows more active civil participation. I urge Member States to start thinking about how they can consolidate and support better the concept of territorial cohesion in their national programmes and policies.

In this context, I believe that the fundamental principles of coordinated development and urban-rural partnership are especially important and must be strictly observed.

**Marusya Ivanova Lyubcheva (PSE).** – (BG) I supported the report on territorial cohesion on the understanding that it is a policy which is extremely important to every region in the European Union.

The resources from the Cohesion Funds, along with national resources, can transform even the most backward regions into well-developed regions and bring them up to the level of the developed regions. This is of paramount importance to my country, Bulgaria. It is also important during the planning stage for all the resources to be distributed fairly and for the principle of cohesion to be applied in all of the European Union's priority policies.

Taking into account all the factors which influence balanced regional and social development, we must find the most opportune mechanisms to enable us to give some of the new Member States at a lower level of development the opportunity to catch up with the rest.

We need to have clear criteria during the planning stage to prevent any country from being penalised because it is precisely at the planning stage when inadequate and ineffective allocations are made, which subsequently have an impact on citizens' quality of life.

**Marian Harkin (ALDE).** - Mr President, I would like to congratulate Mr van Nistelrooij on his report. In particular, I want to support paragraph 42, which calls for the establishment of real partnerships between all the parties involved in regional and local development at EU, national, regional and local level.

In order to achieve territorial cohesion, this is a prerequisite. The involvement of local development groups and NGOs in the pursuit of regional development and territorial cohesion has been shown, time and time again, to add real economic and social value. Given that we are not achieving territorial cohesion between our regions, it is crucial that we establish and promote such partnerships.

**- Report: Miroslav Mikolášik (A6-0108/2009)**

**Marian Harkin (ALDE).** - Mr President, I want to support paragraph 22, which – like the van Nistelrooij report – calls for Member States to strengthen the partnership principle in their programmes for the current period and in accordance with Article 11 of the General Regulation of the ERDF, the ESF and the Cohesion Funds.

We in Parliament write these regulations, but it is up to the Member States to implement these regulations, and it is up to the Commission to monitor their implementation. A recent report about the involvement of NGOs and others in the development, implementation and monitoring of the Structural Funds in the new Member States was entitled 'The illusion of inclusion', and I think the title says it all. Member States and the Commission are not shouldering their responsibilities. We in this Parliament must continue to insist that they do.

**- Report: Zsolt László Becsey (A6-0041/2009)**

**Zuzana Roithová (PPE-DE).** – (CS) I have voted for the collection of reports from fellow Members criticising the obstacles to the fulfilment of cohesion policy. I would particularly like to talk about the Krehl report. I would like to add to today's discussion by pointing out that fellow Members forgot to mention that we approved a recovery package two weeks ago. This was the package agreed on by the Czech Presidency and the Commission. Under pressure from the European Parliament, the Commission has also drafted clear proposals for simplifying administration, and in particular it has introduced a clear degree of flexibility that will now enable everyone drawing down money from the Structural Funds to transfer resources between programmes and even to use these resources to cover loans, which is especially important for new Member States. The next report in this package, relating to micro-credit, further supports this, of course. I am only sorry that we do not yet have clear guidelines for harmonising regulations on the use of micro-credit, which would be particularly helpful for small-scale entrepreneurs and local authorities.

**Marian Harkin (ALDE).** - Mr President, I am particularly supportive of this report, the mention of credit unions and recognition of their contribution to providing microcredit facilities. As not-for-profit organisations, credit unions play a unique role in providing microcredit to many who would not be offered credit by many of the other financial institutions. I know that credit unions are not strong in all European countries, but they are strong in many, with reserves in excess of EUR 40 billion. Worldwide credit unions have reserves in excess of USD 1.1 trillion, with almost 180 million members worldwide.

At a time when many people are losing faith in banking institutions, not-for-profit financial institutions are a viable alternative and they need our support. In particular, they need to be included in the JASMINE programme so that, as providers of microfinance, they have access to business support services such as mentoring, training, advice, financing and education, etc.

Finally, a clarification on the Muscardini report: I believe we voted for and passed Amendment 1, where the term 'sexual and reproductive rights' was amended to 'sexual and reproductive health'. In this context, I am not sure I agree with my Irish colleagues who spoke earlier on this matter.

**President.** – Mr Kamall, as you can see, you are the only one in the Chamber!



**Syed Kamall (PPE-DE).** - Mr President, let me begin my thanking you and all the interpreters for your patience during this very long set of explanations of vote.

I think there is consensus across Parliament on the merits of microcredit: it is one of those issues that left and right in Parliament can agree on.

At this stage, let me pay tribute to two organisations in particular. One is Opportunity International, which is headed by a former central bank governor of an African country and brings a professional approach to microcredit where sometimes that has been sadly lacking. The other is an organisation and its excellent website – [www.kiva.org](http://www.kiva.org) – which allows people to lend as little as USD 25 individually and is aggregated up to larger microloans to entrepreneurs across the world, particularly in developing countries, allowing them to create wealth and jobs in their local communities.

The one point I would like to make is that we must make sure that local, national or EU government does not crowd out the small community-led and private microcredit providers. I have cases of that in my constituency in London where community-led organisations have been crowded out by local government.

On the whole, however, I think we can agree that microcredit is a great thing to help entrepreneurs in poorer countries.

*Written explanations of vote*

**- Report: Paolo Costa (A6-0071/2009)**

**Bogusław Liberadzki (PSE), in writing.** – (PL) I voted for adoption of the report on the proposal for a Council decision on the conclusion of the Agreement between the European Community and the Government of Nepal on certain aspects of air services.

I agree with the proposal of the rapporteur to conclude this Agreement.

I think that the amendments concerning the designation clause, taxation of aviation fuel and pricing are justified in comparison with existing bilateral agreements.

I hope that reliance on mutual confidence in the systems of the other party will foster realisation of the Agreement.

**Luca Romagnoli (NI), in writing.** – (IT) I voted in favour of the report by Mr Costa on the EC-Nepal Agreement on certain aspects of air services.

I agree with the rapporteur that tariffs to be charged by the air carriers designated by Nepal for carriage of passengers and goods wholly within the European Union should be subject to European Community law. I am also in favour of the taxation of aircraft fuel for operations within the territory of the Community.

**- Report: Geringer de Oedenberg (A6-0130/2009)**

**Luca Romagnoli (NI), in writing.** – (IT) I voted in favour of the report by Mrs Geringer de Oedenberg on wheeled agricultural or forestry tractors.

In fact, I agree with the Commission's proposal for the codification of the legislative texts in force, including the technical adaptations.

**- Report: Geringer de Oedenberg (A6-0129/2009)**

**Luca Romagnoli (NI), in writing.** – (IT) I voted in favour of the report by Mrs Geringer de Oedenberg on a Community system of reliefs from customs duty.

I agree with the proposal for codification of the legislation in force in order to ensure that Community legislation is properly simplified and clearly drafted.

**- Report: Sirpa Pietikäinen (A6-0119/2009)**

**Šarūnas Birutis (ALDE), in writing.** – (LT) Considering the growing complexity of financial markets and, in particular, the financial crisis, this optimised collection of statistics is needed. Reliability and timeliness of data should be cornerstones of the amended regulation. Your rapporteur takes the view that the timely collection of statistical information is of paramount importance. Therefore, the European System of Central

Banks and the European Statistical System should, if necessary, collect data on a monthly basis. This might increase the quality of statistics and optimise their usefulness, in particular with regard to monitoring the financial services sector. I agree with the European Central Bank's proposal to partially amend the Council regulation concerning the collection of statistical information by the European System of Central Banks, which aims to strengthen the effectiveness of the collection of this data. In addition the regulation in force would thus be adapted to financial market trends.

**Luca Romagnoli (NI)**, *in writing*. – (IT) I wish to abstain on the report by Mrs Pietikäinen on the collection of statistical information by the European Central Bank. In fact I only partially agree with the report in question, since I find there are certain critical points that do not allow me to express a fully positive opinion of it.

**- Report: Alexander Graf Lambsdorff (A6-0132/2009)**

**Philip Claeys (NI)**, *in writing*. – (NL) I have voted against Mr Lambsdorff's report as it does not make clear that the Member States of the EU would be best served by steering clear of the UN Human Rights Council if certain unacceptable passages in the outcome document from the Durban Review Conference are retained. It must be spelled out once and for all that Europe need take no lessons on human rights from Islamic theocracies and other (semi-)dictatorships.

**Glyn Ford (PSE)**, *in writing*. – While I welcome the bulk of Mr Lambsdorff's report on EU priorities for the 64th Session of the United Nations General Assembly, I have a problem with his call at this stage for a single European Union seat on the UN Security Council. I am in favour of a reform of the Security Council to recognise the new global political realities – Japan, Germany, India and Brazil can make good cases for membership and it would be invidious to exclude representation from Africa. But support, or not, for a single EU seat should come at the end of a negotiating process – even if it has a logic – not at the beginning. On that basis I felt it appropriate to abstain on this report.

**Neena Gill (PSE)**, *in writing*. – President, I abstained on this report as I believe the UN is in urgent need of review and reform. There is little point in considering a Security Council seat for the EU if the whole system of representation is in question.

In particular, where is the Security Council representation for Asia? At present, that continent is represented only by China, a non-democratic country with an appalling record on human rights. Where is the call for a seat for India, whose population is fast approaching that of China's and whose political, economic and strategic power is regionally and globally significant?

Before thinking about the EU's voice at the UN, we need to consider how the current UN might be changed for the better. Proper Security Council representation for the world's biggest democracy would represent a big step in the right direction.

**Hélène Goudin and Nils Lundgren (IND/DEM)**, *in writing*. – (SV) The principle of 'one state, one vote' is one of the foundation stones of cooperation within the United Nations, and so it should remain. We therefore think it very unfortunate that the European Parliament is seeking a single seat for the EU in the UN Security Council in future. It goes without saying that Swedish foreign policy is different to Polish foreign policy, which is different to Greek foreign policy. On the other hand, like-minded countries can unite if they so wish.

However, the report contains several positive elements, particularly with regard to calls to respect human rights and international humanitarian law. We feel that these wordings are so important that we have chosen to support the report despite its shortcomings in other respects.

**Richard Howitt (PSE)**, *in writing*. – Labour Euro MPs fully support the work of the UN General Assembly and the positive role it has to play in peaceful and positive international cooperation. In particular, we support within this resolution the focus on increased positive cooperation on human rights, positive UN reform, nuclear non-proliferation and delivering on the Millennium Development Goals.

We voted to abstain on this resolution, as although we support many of the points contained within, we could not support a call within the resolution for there to be a single UN Security Council for the European Union. There is no provision in the UN Charter for a regional seat on the Security Council. Europe is not a UN Member State and, according to the UN Charter, only states can be members of the UN.

**Alexandru Nazare (PPE-DE), in writing.** – (RO) Mr Lambsdorff's report makes an important contribution to the European Union's involvement in the UN's business and transformation. I am happy to give my support to it.

The recommendations contained in this report reaffirm the constant concerns of most EU Member States regarding the main issues in global politics, while persuasively reiterating topics of interest to Romania and the PPE-DE Group.

For example, the EU's fundamental values ask us to attach particular importance to the Responsibility to Protect principle. In addition, my party and the other members of the PPE-DE Group regard human rights as one of the cornerstones of our foreign policy activities and a key channel for expressing our views at global level. I am pleased that these recommendations extensively touch on these concerns. In order to consolidate the progress made in these areas, we must also promote human security, not only from an economic and social perspective, but 'hard' security too.

Last but not least, the proper operation of this organisation is important to all of us who want to see an assertive, efficient, multilateral mechanism whose actions promote these values.

By touching on these topics and others of interest to Europe's citizens, the report and recommendations from Mr Lambsdorff mark a step forward, which is why I am voting for it.

**Toomas Savi (ALDE), in writing.** – I voted in favour on Alexander Graf Lambsdorff's report with a proposal for a European Parliament recommendation to the Council on the EU priorities for the 64th Session of the UN General Assembly. European Union must act in unison in order to affect the decisions and commitments that will be taken in September 2009 during the UN General Assembly.

As a member of the committee on development, I would like to highlight the importance of progressing towards the Millennium Development Goals. European Union must take a leading role in the UN to ensure that our promises to the developing countries, which actually suffer the most by the current economic crisis, are kept, as unfortunately at the moment our actions have run short of our promises.

Undoubtedly, the crisis has affected almost all the countries, however, especially on the difficult times as now; all the developed countries must act together and look further from narrow national interests, as the lives of millions of people are literally depending on our actions and our future behaviour.

The consequences of ignoring the problems now could be catastrophic; furthermore, we might not be able to solve them anymore in the future.

**Kathy Sinnott (IND/DEM), in writing.** – I wanted to vote for this report on UN priorities for the 64th Session of the UN General Assembly because many of the priorities are worthy and should be supported and even promoted. Unfortunately colleagues included 'sexual and reproductive rights' in the list of priorities and I cannot and will not ever condone the killing of fellow human persons, in this case babies before birth.

**Geoffrey Van Orden (PPE-DE), in writing.** – While I support efforts towards a co-ordinated position in the UN among the Western democracies, and have long argued the case for institutional reform of UN structures, I do not accept that the EU should act on our behalf. Under no circumstances should individual members of the UN, still less members of the Security Council, allow EU usurpation of their right to put their own view forward. I reject the objective of "an EU seat in the Security Council". As a matter of principle therefore - and without in any way rejecting UN initiatives such as the Millennium Development Goals, or the 'Right to Protect' concept - I abstained on the report.

**- Report: Maria Martens (A6-0079/2009)**

**John Attard-Montalto (PSE), in writing.** – One of the most difficult challenges facing the European Union is that of illegal or irregular immigration. I have always believed that solutions can only be proposed if both sides see each other as partners. Concentrating on the plight of migrants traversing the Mediterranean, Europe and the North African States (Maghreb) have to work in unity. Malta since the 1970's has continuously campaigned for this approach, but at the time the majority of European Leaders did not have the necessary foresight. Now that we are facing an exodus of biblical proportions Europe has suddenly been startled into reality.

**Alessandro Battilocchio (PSE), in writing.** – (IT) I voted in favour of Mrs Martens's report.

In the light of the Joint Strategy adopted in 2007, which proposed the introduction of a more bilateral approach putting the EU and Africa on a more equal footing, I agree on the importance of such a strategy. Its aim is to take dialogue and cooperation 'beyond development', 'beyond Africa' and 'beyond institutions' by means of greater EU-Africa cooperation within international bodies and in multilateral negotiations, on issues such as human rights and climate change.

I agree that the European Union and Africa should work towards making international institutions such as the World Bank, the International Monetary Fund and the World Trade Organization more democratic and representative, thus ensuring that Africa can exert an influence in line with its size.

The report highlights four areas in which effective results are particularly important to the success of the joint strategy: peace and security, governance in the broadest sense, trade issues, regional economic communities and capital flight, and key development issues such as health and education.

I also support the request for a specific financial instrument for implementing the joint strategy, centralising all existing sources of funding in a clear, predictable and programmable way.

**Koenraad Dillen (NI)**, *in writing*. – (NL) I voted against Mrs Martens's report, even though it contains many sound and acceptable elements and is a relatively even-handed report. It is lamentable, however, that a report on the EU-African partnership should contain no word of mention about the problem of illegal immigration, a problem which is so pressing for both Europe and Africa, that leads to a brain drain from Africa and causes so many social problems in Europe. In addition, this report shows a degree of naivety when it calls for the European blue card scheme to discourage the attraction of any Africans from sectors where they are needed in Africa. The report says nothing about how that can be reduced in reality.

**Edite Estrela (PSE)**, *in writing*. – (PT) I voted in favour of the Martens report on 'One year after Lisbon: The EU-Africa partnership at work', as it reiterates the need to strengthen ties between the European Union and Africa, particularly in the current context of global economic instability.

I should like to highlight that the holding of the EU-Africa Summit in Lisbon in 2007 was mainly down to the work carried out by the Portuguese Presidency of the Council of the European Union. However, we still have a long way to go to develop the Joint Strategy outlined on that occasion, particularly in the areas of peace, security, governance, human rights, regional integration, health and education.

The European Union needs to create a specific financial instrument for implementing the Joint Strategy and to meaningfully involve civil society.

**Hélène Goudin and Nils Lundgren (IND/DEM)**, *in writing*. – (SV) The rapporteur paints an essentially accurate picture of Africa's many challenges. She is doubtless also correct in her description of the significance that both international efforts and international cooperation may be considered to have in dealing with poverty, the lack of health care and the consequences of the global economic downturn.

However, the rapporteur engages in detailed propaganda in favour of the European Parliament having a greater role in relations between Africa and the EU. Without any objective arguments, it is proposed, for example, that the President of the European Parliament should be allowed to attend the meetings between representatives of Africa's governments and the European Commission and/or the Council. The rapporteur would also like the European Parliament to have a greater responsibility for the structure and function of the European Development Fund. We believe that such a development would be extremely unfortunate. We have therefore voted against the report as a whole.

**David Martin (PSE)**, *in writing*. – I support this report which looks at the effectiveness of the EU-Africa partnership. The report notes that very little new funding has been made available to implement the Joint Strategy and calls for the creation of a specific financial instrument, centralising all existing sources of funding in a clear, predictable and programmable way.

**Luca Romagnoli (NI)**, *in writing*. – (IT) I voted against the report by Mrs Martens on the Africa-EU partnership.

I disagree, in fact, with the approach adopted, which often proves unsuitable for meeting the needs of the African side, including both the institutions and the private sector. In this respect, moreover, greater efforts are also needed from the African parties to ensure that a broad spectrum of civil society is truly involved in implementing the partnership agreements.

The partnership strategy put into practice so far has only delivered modest results, which have remained well below the expectations and targets set. Since the first Action Plan ends in 2010, I do not think it will be possible to achieve those targets. I repeat that I am opposed to the report on those grounds.

**Geoffrey Van Orden (PPE-DE), in writing.** – Good governance is central to economic progress and well-being in Africa and should be the first priority. It is a pity that this report gives it such scant attention and deals with it in terms which show excessive sensitivity to African regimes. There is no mention of the fact that most African governments have been tacitly or openly supportive of the Mugabe regime in Zimbabwe, with all the devastation that that regime has inflicted on the people of Zimbabwe. And we should not be trying to impose the template of the EU's institutional structure on another continent without reflection on the appropriateness of such a structure for Europe, let alone Africa.

**Frank Vanhecke (NI), in writing.** – (NL) It continues to be a remarkable fact that we in this institution cling onto the Lisbon illusion come what may. Come to think of it, it is actually not that remarkable as it is a perfect illustration of the way in which European officialdom handles legality, the rights of opposition and respect for the freely-made choices of our electorates.

Lisbon, after all, has been legally dead since the referendum in Ireland. Why can we not just respect that?

Fundamentally, I wonder whether we actually now need to invest another EUR 55 million in order to support the institutions of the African Union. These institutions raise scarcely a murmur of criticism about the bloody dictators that they include. I also ask myself how the perfectly valid comment about the blue card being a dreaded instrument of a further brain drain to Europe squares with the positions adopted elsewhere. Furthermore, nowhere does this report even mention the issue of illegal immigration. Maybe that is an area where we could better invest the EUR 55 million.

#### **- Report: Alain Hutchinson (A6-0085/2009)**

**Alessandro Battilocchio (PSE), in writing.** – (IT) I voted in favour of Mr Hutchinson's report and I fully support the request for the Commission to continue to link its budget support in the areas of health and education, in particular basic healthcare and primary education, to the results achieved in those areas, and to improve the predictability of budget support by introducing MDG contracts.

I also agree on the importance of being able to extend the principles underlying these contracts to a larger number of countries, given that the main objective of the MDG contract is to help improve aid effectiveness and speed up the rate of progress towards achieving the MDGs for those countries which need them most.

I believe that it is vitally important for the Commission to make its budget support conditional on results achieved with regard not only to the field of good governance and transparency, but also in terms of defending and upholding human rights, in particular those of the poorest and the excluded, including disabled people, minorities, women and children, and to ensure that budget support is not provided for sectors other than those specified in the MDG contract.

**David Martin (PSE), in writing.** – I voted in favour of this report which aims to create Millennium Development Goal contracts between the EU and certain countries. I support the financial transparency which the report recommends and the stability that contractual aid will provide for partner countries to better plan budgets in advance.

**Luca Romagnoli (NI), in writing.** – (IT) I wish to abstain on the report by Mr Hutchinson on MDG contracts. In fact, I only agree with some of the points considered, and therefore I cannot fully endorse the text in question.

**Kathy Sinnott (IND/DEM), in writing.** – The EU must get behind the MDG wholeheartedly, but I voted against the report on the MDG because once again colleagues have advocated 'sexual reproductive rights' in the report. Giving children a chance in life is an important MDG.

#### **- Report: Maria Badia i Cutchet (A6-0093/2009)**

**Jan Andersson, Göran Färm, Anna Hedh, Inger Segelström and Åsa Westlund (PSE), in writing.** – (SV) We Social Democrats believe that it is important to promote both art and culture within the EU. We would therefore like to see a greater exchange of experience and cooperation between Member States in this area. This is particularly important in order to make it easier for art students to study in another Member State.

However, we do not believe that the content of the Member States' art courses should be determined at EU level. Such decisions should be taken by the Member States themselves. We have therefore chosen to vote against the report.

**Alessandro Battilocchio (PSE)**, *in writing*. – (IT) Mr President, ladies and gentlemen, I voted in favour.

'All children are born artists. The problem is to remain an artist as we grow up.' With those words Pablo Picasso described the problems associated with artistic training. Although artistic education is currently a compulsory subject in many educational systems, teaching models still vary considerably from one Member State to the next.

The development of new information and communication technologies has favoured the promotion of a knowledge-based economy, in which intellectual capabilities and creativity occupy a pre-eminent place. In this context, artistic education has become an important element in preserving identity and promoting intercultural and inter-religious understanding.

Artistic education also offers nations the means to develop the necessary human resources devoted to making good use of the wealth of their cultural heritage. To this must be added the growing requirement for demonstrable competitiveness in many spheres, which is the reason for the priority given today by many educational systems to promoting the development of creativity through educational programmes developed using appropriate pedagogical methods, which have a great impact on the subsequent integration of students into the workplace.

**Šarūnas Birutis (ALDE)**, *in writing*. – (LT) The establishment of the joint motion for the coordination of artistic studies at European level is important.

Artistic activity encompasses the mastery of several areas of competence, knowledge and materials, which have long been closely linked to educational and technological advances. Throughout history the arts have used the most progressive technologies of the day, and scientific debates have influenced many aesthetic theories. In turn, practical experience and certain artistic disciplines also influenced technical progress and so contributed to human knowledge and global change. Despite the fact that artistic creation cannot be restricted by the application of strict scientific and technological knowledge, technology, although it was not created for this purpose, can be useful to art, just as art can encourage research and improvement of technologies, applied not only in artistic activities. In other words artistic education contributes to closer and more fruitful relations between education, culture, ICT and the arts in the 21st century.

**Nicodim Bulzesc (PPE-DE)**, *in writing*. – (RO) I voted in favour of this report because I agree that there needs to be a balance between theoretical study and practical initiation in every area, including artistic studies.

Mrs Badia i Cutchet's report insists that the teaching of art history must also involve encounters with artists and visits to places of culture, so as to arouse curiosity and provoke reflection on the part of students. I hope that European governments and the European Commission will adopt the recommendations made in this report, and that we will see improvements very soon.

**Marie-Hélène Descamps (PPE-DE)**, *in writing*. – (FR) The own-initiative report presented to us today, which has my complete support, enshrines the idea that artistic and cultural education, including education in the visual image, is a fundamental element of the education system. These lessons actually help to emancipate individuals and make access to culture more democratic. Thus, in line with the principle of subsidiarity, the resolution calls for teacher and student mobility to be promoted, for qualifications to be recognised at European level and for Member States to cooperate in the field of artistic and cultural education.

It also emphasises the need to develop the training of teachers and other players (artists and professionals), in order to introduce an artistic and cultural element into all education and to ensure a high standard of teaching. Furthermore, the report highlights quite rightly the need to make use of new information and communication technologies in order to provide modern, quality teaching, in line with young people's aspirations. In this regard it refers to Europeana, the European digital library, which represents genuine added value in this context.

**Koenraad Dillen (NI)**, *in writing*. – (NL) What is this Parliament meddling in now? In paragraph 1 of this report, for example, I read that artistic education must form a compulsory element in syllabuses at all school levels in order to promote democratisation of access to culture. What nonsense, and what meddlesomeness! Let the Member States determine for themselves how they wish to fill their syllabuses. They have done so

perfectly capably for the last hundred years and they will be able to continue do so through the next century without any need for being patronised by the European Union or the European Parliament.

**Hélène Goudin and Nils Lundgren (IND/DEM), in writing.** – (SV) The June List believes that cultural issues should fall within the political competence of the Member States. This report is not part of the legislative procedure and represents nothing more than the opinion of the European Parliament's federalist majority that the EU should increase its interference in the cultural sphere still further.

We have therefore voted against the report as a whole.

**Zdzisław Zbigniew Podkański (UEN), in writing.** – (PL) It is true that artistic subjects are taught in schools throughout Europe. It is also true that Europe, and I mean society, is changing quickly, as are information and communication technologies. Europe is also coming together, and cultural education can serve this process no less, for example, than does the common market.

This can be done by artistic training at all stages of education, by deepening theoretical and practical knowledge of the diversity of Europe and its many cultures. That body of knowledge is very large, and it is constantly growing. However, the fact that artistic subjects are taught differently in different countries does not allow, for example, the training of an artist whose knowledge and potential will be recognised and used in another Member State.

The question of coordination of policies arises here, and Mrs Badia i Cutchet's report proposes an interesting solution, the Open Method of Coordination or, talking in practical terms, the mutual learning of countries from each other based on the examples of those who have managed to solve particular problems in the best way. This method is, therefore, almost completely in the hands of Member States.

This approach is flexible, and allows coordination of complex matters and a rapid reaction to current challenges. The question of artistic training is complicated: creativity has to be stimulated by a special and individualised teacher-student approach, knowledge of Europe's continuously evolving culture and of creative tools has to be imparted, and an unrestricted career development path has to be made possible. Rational and constructive reflection on artistic education is an investment in the future and identity of a Europe united in diversity.

**Luca Romagnoli (NI), in writing.** – (IT) I welcome the report by Mrs Badia i Cutchet on artistic studies in the European Union.

These days, when our societies are increasingly heterogeneous, I think culture is fundamentally important as a means of preserving identity and at the same time improving the way in which different peoples and cultures coexist.

I agree that art is a manifestation of culture and helps develop a country's cultural wealth, as well as society in general. In addition, artistic activity can be useful for technological research and development and in turn is influenced by it.

Therefore, given the importance of artistic subjects, I am in favour of Europe-wide coordination of their teaching in educational institutions.

**Carl Schlyter (Verts/ALE), in writing.** – (SV) It is important, among other things, for artists to have the opportunity to move around freely, to promote the facilities for non-commercial art and to further develop European digital libraries to preserve our artistic heritage. I interpret paragraph 9 concerning the nature and duration of artistic studies as a desire to also incorporate artistic studies into the Bologna Process and, with that proviso, I am able to vote in favour of the report.

**- Report: Gyula Hegyi (A6-0107/2009)**

**Philip Claeys (NI), in writing.** – (NL) I voted against this report due to the terrible hypocrisy contained in the text. The EU refuses to pay any heed to the referendums in France and the Netherlands on the European Constitution and in Ireland on the Treaty of Lisbon, yet this report does not bemoan that fact. On the contrary, paragraph 5 of the report states, in a particularly patronising and insulting way, that the 'no' vote by women was attributable to a lack of involvement by Europe.

The references to the Commission's so-called 'Plan D', too, are totally out of place, since, in the majority of Member States, 'Plan B' boiled down to a dialogue of the like-minded, who explicitly had no interest in taking

account of critical voices. This report needed to criticise abuses of this nature instead of tacitly approving them.

**Koenraad Dillen (NI)**, *in writing*. – (NL) I voted against this federalist and arrogant report with great conviction. What arrogance to claim, as in recital B, that the populace that voted against the European Constitution is one that has an inadequate understanding of Europe. That is manifestly untrue. Precisely those citizens who grasp only too well the fact that the EU seeks to undermine the last vestiges of the sovereignty of the Member States were the ones who voted against the European Constitution. What arrogance to claim that integration only catches on in the well-educated sections of society. The rapporteur is clear, however. Those who think 'the wrong way' must be criminalised or regarded as idiots. Then we can talk about an active dialogue with the citizens.

**Brigitte Douay (PSE)**, *in writing*. – (FR) I supported Mr Hegyi's report on active dialogue with citizens on Europe. Dialogue of this kind is essential, and this report lays much emphasis on the importance of local action. Indeed, it is by taking real action closer to citizens, by simply talking to them about Europe, that they can get a clearer picture of what the European Union does for them in their daily lives.

Encouraging this dialogue will be key in the run-up to the June elections, especially in rural areas and among the most Eurosceptic groups, such as young people and women. The recent interinstitutional political declaration signed by Parliament, the Council and the European Commission: 'Communicating Europe in Partnership', is along these same lines. We can celebrate the importance that the institutions attach to this dialogue and the efforts they intend to make so that citizens feel involved in the European Union.

**Ilda Figueiredo (GUE/NGL)**, *in writing*. – (PT) We voted against this report as we feel that the pressure that is still being applied to conclude the ratification process of the Treaty of Lisbon, despite the result of the Irish referendum, is unacceptable. First of all, if the rules of the current Treaty were observed and if the sovereign decision of the Irish people were respected, the draft Treaty of Lisbon should have been abandoned. This report once again advocates an antidemocratic position. For that matter, it is unacceptable that the European Parliament should speak of further increasing 'the transparency of the EU and the involvement of citizens in decision-making processes' when a majority rejected the holding of referendums in their own countries on the draft Treaty of Lisbon, precisely because they were afraid of the majority opinion of their people.

It is also regrettable that they are ignoring the opposing opinions of all those who feel deceived by a process of capitalist integration which is worsening inequalities and increasing poverty and unemployment, in contrast to what they promised.

Even the few positive points of the report seem to be framed within a context that aims to deceive public opinion and the citizens, through propaganda campaigns, rather than effectively ensure democratic participation and bring about a change in policy to respond to the reasonable aspirations of individuals and workers.

**Bruno Gollnisch (NI)**, *in writing*. – (FR) You truly are incorrigible. You believe that if European citizens are increasingly sceptical of the European Union, it is because of a lack of education, because of ignorance, or stupidity even.

I think it is quite the opposite. There are those who profit from the opening of borders to all movements of people, goods, capital, and so on, and then there are the vast majority who suffer the consequences: unemployment, insecure jobs, reduced purchasing power, insecurity, loss of identity, and who know who is to blame for it.

Your Europe is a technocracy governed by a handful of uncontrolled and uncontrollable oligarchies: the 27 Commissioners and the few members of the Executive Board of the European Central Bank. It is a technocracy attentive to the thousands of lobbies that influence it, but completely deaf to the refusal expressed by citizens when we deign to consult them by referendum. A system whose policies paved the way for and exacerbated the current financial, economic and social crisis, and which undermine national safeguard or rescue measures.

So, like you, I hope that in June European citizens will turn out en masse to vote and that they will use that vote as a referendum: to say 'No' to you.

**Hélène Goudin and Nils Lundgren (IND/DEM)**, *in writing*. – (SV) This report is not part of the legislative procedure and represents nothing more than the opinion of the European Parliament's federalist majority. The proposal argues for the completion of the ratification process of the Treaty of Lisbon.



However, we believe that the Treaty of Lisbon has failed twice, most recently when the people of Ireland voted against it in 2008, but also before that, when voters in France and the Netherlands voted against what was essentially the same proposal in 2005. When will the federalist majority in the European Parliament realise that the desire to create a United States of Europe does not have the support of the voters?

Citation B of the draft report even states the following: 'people with an inadequate understanding of European Union policies or of the Treaties are more likely to oppose them'. This demonstrates the nonchalance, arrogance and ignorance of the federalists towards voters with political values that differ from those that prevail in this pro-centralisation European Parliament.

We have therefore voted against this report.

**Adrian Manole (PPE-DE), in writing. – (RO)** Communicating with citizens and keeping them informed must stop being simply a prescribed, ineffective proposal. Civil society will have to get involved in areas such as: good governance and democratisation, human rights, development of and combating social exclusion, environmental protection and sustainable development.

In view of the global financial crisis and the ever-growing level of consumer debt, active dialogue with Europe's citizens means that European institutions and civil society need to make efforts to improve consumers' level of financial education, particularly with regard to their rights and obligations, as well as the best practices in the areas of savings and loans.

Furthermore, Member States should increase the human and financial resources allocated to the European Consumer Centres Network in order to raise awareness and ensure the application of consumer rights in the European Union.

**Andreas Mölzer (NI), in writing. – (DE)** The recent campaign to make energy-saving bulbs mandatory, which the manufacturers in particular will profit from, highlights the gap between the European Union and its citizens. How can the people of Europe feel any affinity with a European Union which repeats referendums, if they are held at all, until the right result is achieved? How can Austrian citizens, for example, identify with an EU which has resulted in them being overcome by an avalanche of transit traffic, punished them with sanctions for holding democratic elections and forced them to give up their neutrality and banking secrecy?

The EU was created for economic reasons and that remains obvious. It is not the creation of the citizens; it is the creation of an EU establishment which is divorced from reality and which adheres to the mantra of liberalisation and free movement of capital. If we do not revise our way of thinking and if the lack of transparency and democracy continues, we can adopt one declaration of intent after another, but the citizens will remain alienated from the EU and their frustration with it will continue to increase. For this reason I have abstained from voting on this report.

**Zdzisław Zbigniew Podkański (UEN), in writing. – (PL)** Dialogue with citizens is an important and complex matter, but it is something the ruling governments must master well. That is the essence of their work: dialogue ending in compromise. In this context it appears that the background to this report is to some extent contradictory. It calls for us to complete the process of ratifying the Lisbon Treaty as soon as possible, as it is an important condition for dialogue on Europe. The report claims that the Treaty will increase transparency and involve citizens in decision making. It may give the impression that those who do not like the Treaty will be ignored, and therefore their voice will not be heard. It is therefore hard to speak of dialogue and compromise.

The idea of 'common European knowledge' through the study of the history of Europe and European integration is also controversial. This would be brought about by a programme agreed at Community level, adopted on a voluntary basis by the Member States and paid for from the Community budget. In short, this is an historical compromise, which will serve as a tool for building common European values. In my view we do not need to go that far – historical compromise is a concept that is vague at the very least, if such a compromise is needed at all. Furthermore, using history as a means to an end arouses opposition, even if the intention behind it is sincere. The key to effective dialogue lies in the present day, which has brought us enough problems anyway. We need to talk! In other words: 'yes' to dialogue, and 'no' to the report.

**Luca Romagnoli (NI), in writing. – (IT)** I wish to abstain on the report by Mr Hegyi on active dialogue with citizens on Europe.

In fact, although I partially agree with the text tabled, I diverge on several points that I consider important. I cannot therefore fully endorse the report.

**Czesław Adam Siekierski (PPE-DE), in writing.** – (PL) The debate on the issue of dialogue between the European Union and its citizens is very necessary. How European citizens view Europe, and their understanding of how the Community functions, is a key question. People accept what they know, but anything that is beyond their horizon arouses concern. The examples of the Irish referendum and the preceding referendums in France and Holland show that we cannot be off-hand about our citizens' views. Decisions should not be taken behind closed doors, ignoring the opinions of society. *Nihil novi*: nothing new without the common consent.

What we need is to reach the poorer and less educated citizens. What is needed is to transmit, clearly and concisely, to the public, what our actions are based on, what we aim to achieve and in particular the resulting benefits to citizens. True integration is not possible if our voters do not fully accept the actions of the European Union.

Studies have shown that only just over 50% of EU citizens are satisfied by their country's membership of the Community. This obviously varies from country to country. It would be a great success if this figure reached 80%.

The obligation of bringing the EU closer to its citizens rests not only on the EU institutions as a whole, but in my view also on ourselves, the MEPs. Each year alone I organise hundreds of meetings with young people, farmers and businessmen. Let us teach our citizens to make use of the benefits offered by the EU. The June elections will be the first test of how effective we have been.

**Søren Bo Søndergaard (GUE/NGL), in writing.** – The Hegyi report concerning the promotion of a dialogue with EU citizens is based on the assumption that people's sceptical attitude towards the EU is due to the fact that they lack adequate knowledge. Various measures are proposed in the report such as education, Euronews and the creation of a museum of EU history. Since the actions far more resemble propaganda than dialogue, I oppose them. In a real dialogue, the opinions of the citizens are seen as valuable.

**Eva-Britt Svensson (GUE/NGL), in writing.** – The Hegyi report concerning the promotion of a dialogue with EU citizens is based on the assumption that people's sceptical attitude towards the EU is due to the fact that they lack adequate knowledge. Various measures are proposed in the report such as education, Euronews and the creation of a museum of EU history. Since the actions far more resemble propaganda than dialogue I oppose them. In a real dialogue, the opinions of the citizens are seen as valuable.

**Andrzej Jan Szejna (PSE), in writing.** – (PL) The rapporteur states that active dialogue with citizens on Europe is not well developed. Unfortunately, he is correct. Information about the European Union often reaches only its well-educated and affluent residents, which engenders scepticism and antipathy in other citizens of the countries of Europe. For this reason an essential element in the further development of the European Community is the European education of its residents.

The rapporteur tries to find ways of reaching wider audiences, which will enable broadening the knowledge of residents about the EU. He bases his approach on the following pragmatic and also very popular methods in order to reach the widest possible audience: introduction to schools of one year's education on the EU since 1945, creation of a TV information channel similar to the American CNN, and Internet sites in a form which will make them accessible to young people.

I agree with and support the importance of an information campaign about the EU as a method of increasing the awareness of society, and I also think that the rapporteur's ideas for implementing this are very good.

#### **- Report: Thierry Cornillet (A6-0081/2009)**

**Marie-Arlette Carlotti (PSE), in writing.** – (FR) The Joint Parliamentary Assembly or JPA has become a key instrument of political dialogue as well as conflict prevention and resolution.

In situations of political crisis, our 'urgent debates' have enabled in-depth, constructive and taboo-free dialogue on the situation in Kenya, Zimbabwe and Mauritania.

On the great North-South 'horizontal' challenges, such as food security, effectiveness of state aid, and child labour, in 2008 the JPA adopted constructive, often daring positions.

With regard to implementation of the European Development Fund, the JPA got hold of strategic documents that its economic committee has begun to examine.

The JPA's agenda has above all, however, been marked by a single political priority, that of Economic Partnership Agreements or EPAs. Its 'regional meetings' represent a major asset and undeniable added value for monitoring EPAs.

This added value must now be recognised and honoured. The JPA must be at the heart of the provision of parliamentary control of negotiations and the implementation of agreements.

Finally, I would like to pay tribute here to the work of Co-President Glenys Kinnock. She has succeeded in making the JPA a unique tool for North-South dialogue, and an opportunity for fair, sustainable and mutually supportive development.

**Luca Romagnoli (NI)**, *in writing*. – (IT) I am against the report by Mr Cornillet on the work of the ACP-EU Joint Parliamentary Assembly in 2008.

In fact, I think that the work done during the working sessions held so far has not always been satisfactory, to the extent that no resolutions have been adopted on certain important topics.

In addition, the negotiations undertaken by the Assembly have, in certain cases, led to the conclusion of partnership agreements that have not produced good results either for the European Union or for the other parties. I am therefore against the tabled report.

**Frank Vanhecke (NI)**, *in writing*. – (NL) I have just abstained in the vote on the work of the ACP-EU Joint Parliamentary Assembly, although with hindsight I wish I had actually voted 'no'. Over the years that I have been attending this Parliament and working here, I have ever more strongly got the impression that the ACP positions primarily serve as an excuse for nice trips around the world, and in all directions too. Let us be honest, what difference have they ever made?

Maybe what we need is just an evaluation of the whole gamut of parliamentary positions. They look pretty nice indeed. I am sure it is very pleasant to get to see something of the world at Joe Public's expense too, but whether all that taxpayers' money has actually delivered any benefit outside the hotel and airline sectors is something I very much doubt.

#### **- Report: Constanze Angela Krehl (A6-0095/2009)**

**John Attard-Montalto (PSE)**, *in writing*. – Among the most important tools of the European Union are the structural funds. One of the most difficult areas to understand is how to access these funds in the fields of regional policy. Indeed, the title includes the word 'obstacles' which can be condensed into seven items: - excessive bureaucracy;

- too many complex regulations;
- frequent modification, by certain Member States, of eligibility criteria and requisite documentation;
- lack of transparency in decision-making processes and co-financing schemes;
- delays in payments, cumbersome centrally managed administration in Member States;
- inadequate decentralised administrative capacity;
- different models of regional administration in Member States which prevent the existence of comparative data and the exchange of best practices.

**Brigitte Douay (PSE)**, *in writing*. – (FR) I voted in favour of Mrs Krehl's report on best practices in the field of regional policy because it contains an innovative definition of these best practices and examples of success stories, and lists very specific recommendations for all areas of EU intervention in this field.

In particular, I drew the rapporteur's attention to better accessibility of urban facilities and transport for persons with reduced mobility, and to the possibility of reconciling private, family and professional life in a better way, especially for women.

We hope that these comprehensive recommendations will help and inspire stakeholders in regional policy.

**Emanuel Jardim Fernandes (PSE)**, *in writing*. – (PT) I voted in favour of the report by Mrs Krehl because it highlights best practices in several areas, including in the area of the environment and sustainable energy.

That is the case with the Socorridos Hydroelectric Power Station, in the Autonomous Region of Madeira, recognised under the RegioStars initiative.

Mrs Krehl's report also recognises the major obstacles to the preparation of such projects, including:

- complex regulations;
- lack of clarity in cofinancing rules;
- few opportunities to exchange experiences; and
- few opportunities for interregional cooperation, and regional structures that are inadequate for this cooperation.

As a result, it is vital to consolidate and improve indicators, thereby increasing Community know-how in this area, particularly as regards:

- respect for the principle of equal opportunities and assurance of the principles of partnership and innovative action;
- strict organisation of projects, effective use of resources and clarity about their duration;
- increased transferability of knowledge, so that this can also be used in other regions of the European Union.

All these aspects are recognised in Mrs Krehl's report.

**Iosif Matula (PPE-DE), in writing.** – (RO) I voted in favour of the report on the best practices in regional policy as I believe that only provision of sufficient, transparent information in good time can facilitate the distribution of important information about the Structural and Cohesion Funds.

The cohesion policy's objective cannot be fully achieved as long as there are obstacles, such as bureaucracy and administration, which hamper potential beneficiaries from using the European Union's structural resources. The obstacles which posed problems until now include impenetrable documentation, ever-changing eligibility criteria or short deadlines for submitting dossiers.

The best results can be achieved through actively exchanging information, as well as through setting up a database at Community level containing 'success stories' about the implementation of projects. Cooperation within and between regions and gathering and exchanging good practices in the area of regional policy will improve the ability to absorb European funds.

A European portal translated into all the European Union's official languages may make a significant contribution to distributing in an appropriate, transparent manner information about the European funds and to exchanging best practices within cohesion policy in the regions of the Member States which have recently joined.

**Luca Romagnoli (NI), in writing.** – (IT) I voted against the report by Mrs Krehl on best practices in the field of regional policy and obstacles to the use of the Structural Funds.

I am, in fact, convinced that the proposals put forward in this report do not represent a chance to improve the operation of regional policy, which is an extremely important policy for tackling the imbalance in development within the European Union, and one which enjoys substantial financial support.

In particular, I do not think the exchange of good practices can solve the problem of how to use Structural Funds more effectively or can really contribute to the development of innovative projects.

#### **- Report: Wojciech Roszkowski (A6-0042/2009)**

**Jan Andersson, Göran Färm, Anna Hedh, Inger Segelström and Åsa Westlund (PSE), in writing.** – (SV) We have voted in favour of Mr Roszkowski's report, as we agree with the overarching objectives with regard to rural development and the diversification of activities to maximise the local development potential. However, the report does contain some points that we do not agree with, both from a factual point of view and with regard to how certain points have been worded. For example, we do not agree that funding under the second pillar of the CAP has been significantly reduced. Even if there are important reasons linked to environmental and regional policy, we do not believe that some agricultural production should be sustained by subsidies 'at all costs'. We also think that some wordings pre-empt the rural population's own choices.

We have, however, chosen to interpret these points as unfortunate wordings with good intentions, such as the prevention of desertification.

**Iosif Matula (PPE-DE), in writing.** – (RO) I voted in favour of the report on complementarities and coordination of cohesion policy with rural development measures as I believe that these policies provide important pillars for national development, given the particular agricultural potential that Romania has.

I feel that it is important for rural development policy to aim at reducing the economic differences between urban and rural areas by identifying the typical potential of each area and encouraging the development of activities specific to them.

Rural development policies must be aimed at strategies which should not result in slowing down or stopping farming activities carried out by the rural population. If anything, they should help diversify these activities by providing locally produced organic products and producing traditional foods and drinks.

The European Agricultural Fund for Rural Development has been created as a separate fund from the Structural Funds with the intention of using European funding more effectively in rural areas. The advantage we have as a beneficiary state is that we share a wider range of finances for rural development. Consequently, we will be able to achieve our goal of modernising social structures while, at the same time, boosting territorial cohesion between rural and urban areas.

**Andreas Mölzer (NI), in writing.** – (DE) In recent years, rural areas have suffered not only from continuous migration to the cities, but also from the infrastructure being dismantled: police stations, food stores, public transport and so on. As a result, these areas have become increasingly unattractive and their deterioration has accelerated. If the deregulation of national post services leads to a wave of post office closures, entire regions will be left without any resources.

We should not be surprised that the trend for leaving the land and the high death rate among farmers are likely to increase further over the next few years. The consequences of the misguided EU subsidy policy, which generally only the big players benefit from, and the years of neglect of rural areas are gradually becoming apparent. We still have no overall concept. Without this, individual measures are doomed to failure. This is why I have voted against the Roszkowski report.

**Luca Romagnoli (NI), in writing.** – (IT) I voted against the report by Mr Roszkowski on complementarities and coordination of cohesion policy with rural development measures.

In particular, I doubt whether support for non-agricultural activities in rural areas is the most effective method of strengthening territorial cohesion. Instead, I believe that this manoeuvre threatens direct aids for agriculture and will cause serious socio-economic imbalances in rural areas.

#### **- Report: Dagmar Roth-Behrendt (A6-0484/2008)**

**Adam Bielan (UEN), in writing.** – (PL) Introduction of such rigorous provisions on some of the substances used in cosmetics acts against the interests of many Polish businesses. The Polish cosmetics industry consists mainly of small and medium-sized enterprises which cannot afford to carry out the complicated tests needed to introduce substitute substances in many cosmetics. The constituents whose use is banned by this regulation, firstly, concern only 5% of cosmetics, and moreover, they could be used by the industry in safe concentrations. Unfortunately the amendments proposed by the Polish side were not accepted. Therefore, I did not endorse Mrs Roth-Behrendt's report.

**Šarūnas Birutis (ALDE), in writing.** – (LT) The fact that the legal form of a regulation has been chosen for the new edition instead of the directive in force is very welcome. This will eliminate legal uncertainties and discrepancies and will lay down a definition and the means of implementation. The other important goal is to increase the safety of cosmetic products. As there were no clear safety evaluation requirements in the Cosmetics Directive in force, the regulation lays down the most essential standards related to this.

**Hanne Dahl (IND/DEM), in writing.** – (DA) We are reluctantly voting in favour of the new regulation on cosmetic products, despite the fact that it opens up the way for derogations from the prohibition on the use of carcinogenic CMR substances. Fortunately, Parliament has limited this possibility by requiring the global exposure to CMR substances from all routes and sources to be taken into account during the approval process. The adoption of the regulation means that, in Denmark, we cannot prohibit substances that we already know to be carcinogens, hormone disrupters or allergens, as this would be seen as a barrier to the free movement of goods, which is precisely what the legislation is intended to ensure.

This is counterbalanced, however, by Parliament's introduction of the regulation of nanoparticles and thus the application of the precautionary principle. From now on it must be demonstrated that the nanoparticles are not harmful before they are permitted to be used, rather than having to prove that they are harmful before their use can be prevented, which, in practice, is the prevailing principle in EU legislation.

The regulation also introduces more stringent requirements for detailed product descriptions.

**Edite Estrela (PSE), in writing. – (PT)** I voted in favour of Mrs Roth-Behrendt's report on the regulation on cosmetic products (recast) as I feel it is essential to increase the safety of cosmetic products in order to protect consumer health, through minimum standards that must be met before a product is placed on the market.

However, I regret that the mandatory indication of the minimum durability for all products, including those with a minimum durability of more than 30 months (Article 15), has not been adopted. It should be noted that, although using an out-of-date cosmetic product does not pose any risk to consumer health, it also does not bring the suggested benefits.

**Ilda Figueiredo (GUE/NGL), in writing. – (PT)** In this report, the European Parliament generally agrees with the position of the European Commission, which has decided to recast Council Directive 76/768/EEC of 27 July 1976 on the approximation of the laws of the Member States relating to cosmetic products. The Cosmetics Directive, which has been subject to 55 amendments since its adoption in 1976, has become cumbersome and outdated, and no longer provides the necessary legal certainty in a rapidly developing field. With the recast, the Commission aims to remove legal uncertainties and inconsistencies by introducing a set of definitions and implementation measures. To avoid divergences in national transposition, the Commission has changed the legal form of the act from a directive into a regulation.

Another objective is to increase the safety of cosmetic products. Since the current Cosmetics Directive does not contain clear requirements for a safety assessment, the Commission is now introducing 'minimum standards' for this. The rapporteur has strengthened the safety aspect to ensure the protection and health of consumers, which we believe to be the right approach.

**Duarte Freitas (PPE-DE), in writing. – (PT)** I generally support the Roth-Behrendt report and the compromise reached with the Council. However, I regret one omission, which I feel could be prejudicial to consumer protection.

The current Cosmetics Directive and the proposal for a regulation lay down that only cosmetic products with a minimum durability of less than 30 months should have a date of minimum durability. For financial reasons, this date is frequently indicated as being more than 30 months. In this way, manufacturers can ensure that all their products are exempt from indicating a date of minimum durability. Although using an out-of-date cosmetic product does not usually pose any risks to consumer health, it also does not bring the expected benefits.

Unfortunately, the legal services of Parliament and the Commission have decided, wrongly in my view, that this provision could not be amended in a recasting procedure.

**Eija-Riitta Korhola (PPE-DE), in writing. – (FI)** I want to say how satisfied I am with what we have achieved today with regard to the regulation on cosmetic products. The cosmetics market is full of fanciful promises and quasi-scientific mumbo-jumbo, where the copywriter's verbal flamboyance is the only yardstick in testing the product's efficacy. Now the rules are being tightened up, and that is only right. Under the new regulation, advertisements can only make claims that are based on the characteristics the products actually have. There must therefore be proof of their efficacy. The rapporteur asked the Commission to produce an action plan regarding claims and adopt a list of criteria for evaluating them.

The proposal was intended to simplify existing legislation. At present there are more than 3 500 pages of national legislation on the subject, and that is to be compressed into one text. This way it is possible to secure high standards of protection for humans everywhere in the EU and to guarantee the workings of the internal market. Obsolete legislation, especially in the cosmetics industry, poses a risk to health and the extent to which we can rely on the law. These principles follow on logically from the work that was started when the REACH Regulation on chemicals was being discussed.

**Zita Pleštinšká (PPE-DE), in writing. – (SK)** As a rapporteur for the Group of the European People's Party (Christian Democrats) and European Democrats, I became involved in drafting the package of legislation on placing goods onto the market which was approved by Parliament in February 2008. I worked on the report concerning the draft decision on a joint framework for placing goods onto the market and I focused my

amendment proposals on increasing the responsibility of importers, reducing the administrative burden on SMEs, retaining the new approach as the basic framework for placing products onto the market and creating and using European standards in a more flexible way.

This commodity package has become the basic precondition for revising other sectoral directives, particularly the directive on toys which has now been approved, the regulation on cosmetic products and the regulation on building products.

The regulation on cosmetic products is based on the fundamental principle of the legislative package on placing goods onto the market. On the one hand it is the responsibility of producers to ensure that their products conform to the valid European laws, and on the other hand it is the responsibility of the Member States to ensure proper supervision of the EU market.

I voted for the Roth-Behrendt report concerning the proposed regulation on cosmetic products, replacing the current directive which has become unwieldy and outdated. The cosmetics industry has in recent years gone through unprecedented expansion and the current legislation no longer provides the necessary legal certainty.

I welcome the new legislation, which will contribute to greater consumer protection and ensure protection against cosmetic products that are harmful to health.

**Luca Romagnoli (NI), in writing.** – (IT) I voted in favour of the report by Mrs Roth-Behrendt on the proposal for a regulation of the European Parliament and of the Council on cosmetic products.

I fully agree that to increase the safety of cosmetic products, so as to ensure the protection and health of all consumers, specific control instruments have to be clearly defined. I also agree with the rapporteur that, in order to strengthen the control mechanism, responsibility for cosmetic product claims should be given to an independent organisation so as to ensure an independent assessment.

**Flaviu Călin Rus (PPE-DE), in writing.** – (RO) I voted in favour of the draft European Parliament legislative resolution on the proposal for a regulation of the European Parliament and of the Council on cosmetic products (recast), because I believe that any product placed on the market must meet both quality standards and a minimum safety standard. Such a regulation, which is aimed at increasing cosmetic products' safety, will guarantee consumer protection and health.

**Lydia Schenardi (NI), in writing.** – (FR) Since the introduction of nanoparticles in cosmetic products, as well as the fact that the cosmetics sector features among the biggest victims of industrial counterfeiting, it is important to have clear means of control, particularly for identifying counterfeit cosmetics, which do not therefore meet legal requirements.

Some products in fact warrant particular attention, especially cosmetics used around the eyes, on the mucous membrane, on damaged skin, for children or those with a weakened immune system. Clearly a particular focus is needed on local toxicity evaluation, skin and eye irritation, skin sensitisation, and photo-induced toxicity in the case of UV absorption. In addition, the fight against counterfeiting using these controls is vital for public health and environmental impact, but also for competitiveness. We therefore support this report, but new tests should not be performed on finished products if known information on the ingredients they contain proves compliant with legislation.

#### **- Report: Daciana Octavia Sârbu (A6-0076/2009)**

**Ilda Figueiredo (GUE/NGL), in writing.** – (PT) In this report, the European Parliament approves, with a few amendments, the Commission's request to amend Directive 98/8/EC concerning the placing of biocidal products on the market. The Commission considers that this amendment has become necessary after an evaluation of the directive's implementation showed that the 10-year period, until 14 May 2010, foreseen for the evaluation of active substances used in biocidal products with the aim of including them on the Community positive list, would not be enough. As a consequence, the transitional period, during which the biocides market will continue to be regulated by national rules, would expire without the Community positive list being established. In practice this would mean that important products, like for instance disinfectants in hospitals, would have to be taken from the market from 15 May 2010.

In order to avoid this unwanted effect, the Commission proposes a prolongation of the transitional period for three years until 14 May 2013. In case even these three years are not enough, the Commission introduces the possibility of prolonging the period even further by a comitology decision. However, the rapporteur

does not want this possibility to be used to endlessly delay the whole process and therefore also proposes limits.

**Duarte Freitas (PPE-DE), in writing. – (PT)** I support the Sârbu report and the Commission proposal, which make a technical amendment to the existing legislation.

The current directive provides for a transitional period (2000-2010), during which the biocides market will continue to be regulated by national rules. However, it also provides for a 10-year programme for the evaluation of active substances used in biocides, aimed at including them on a positive list to be set up by the Commission.

As the current state of progress in the review programme of this directive will not allow it to be completed by 2010 as planned, it has become necessary to make the appropriate amendments so that the transitional periods for the most delayed cases can be extended. That is why this proposal for amendment is appropriate.

**Rovana Plumb (PSE), in writing. – (RO)** This proposal from the Commission amending Directive 98/8/EC on the placing of biocidal products on the market has become necessary after an evaluation of its implementation showed that the 10-year-period until 14 May 2010, foreseen for the evaluation of active substances used in biocidal products with the aim to include them in the Community positive list, will not be enough. As a consequence, the transitional period, during which the biocides market will continue to be regulated by national rules, would expire without the Community positive list being established. In practice this would mean that important products, like for instance disinfectants in hospitals, would have to be taken from the market as from 15 May 2010.

I voted for this report as extending the current transitional period will allow the completion of the evaluation of active substances used in biocidal products and give adequate time to Member States to transpose the provisions and issue the authorisations and registrations for these products, as well as to the industry to prepare and submit complete dossiers. In addition, this extension will allow the application of the principle preventing the generation of waste products (substances which are not evaluated become waste products) and help avoid placing biocidal products on the market illegally.

**Luca Romagnoli (NI), in writing. – (IT)** I voted in favour of the report by Mrs Sârbu on the proposal for a directive of the European Parliament and of the Council amending Directive 98/8/EC concerning the placing of biocidal products on the market as regards the extension of certain time periods.

In view of the sensitive and laborious process of evaluating the active substances used in biocidal products, I agree with the rapporteur about extending the transitional period to four years instead of three in order to give the industry enough time to meet its commitments.

#### **- Report: Zsolt László Becsey (A6-0121/2009)**

**Koenraad Dillen (NI), in writing. – (NL)** Conscious of the need to dissuade people, and above all young people, in our society from smoking, I have abstained from voting on this report. The EU wants to make cigarettes and fine-cut tobacco intended for the rolling of cigarettes and cigarillos more expensive, but the issue is whether the hypocritical approach of raising taxes is the right way to do this. The tobacco industry does, after all, employ a large number of people within the Member States and, in times of crisis, the impact of any such measures on the employment situation should be thoroughly assessed before they are implemented.

Would it not be better to reduce smoking by educating people rather than by taxing them?

**Bruno Gollnisch (NI), in writing. – (FR)** Mr Becsey's report proposes closer harmonisation of taxes on tobacco at a higher level and feebly takes cover behind objectives of public health in order to justify it. In fact, the real objective is a pure and perfect cigarette market on a European scale, a 'decompartmentalised' market with a single tax where competition can run riot.

A little coherence, please. Either it is health that takes precedence or it is the market. For certain products, it cannot be the market. Some states, like France and Belgium, have been taken to court by the Commission for having introduced threshold or minimum sales prices. It is not without reason that the tobacco trade is regulated to this extent, at national level (distribution subject to authorisation) or international level (limited cross-border purchases) and that, for once, border controls actually exist, even if they are hampered by European regulation.



Finally, this report is worrying for the future of French tobacconists, who play such an important role in maintaining local shops and supplying certain public services in rural areas and who were seriously threatened by a previous tax increase.

**Jörg Leichtfried (PSE)**, *in writing*. – (DE) I am voting in favour of Mr Becsey's report which recommends higher rates of excise duty on tobacco products.

I very much welcome the gradual increase in the tax on cigarettes and other tobacco products from 2014 onwards. I also believe that updating the definitions of some kinds of tobacco products is essential in order to guarantee an increased level of health protection.

I have been a strong supporter of protection for non-smokers for many years and I think that this report is another step in the right direction. This is underlined by the Commission's expectation that tobacco consumption will fall by 10% over the next five years.

**Astrid Lulling (PPE-DE)**, *in writing*. – (FR) I voted for the Becsey report because an extreme increase in excise duty on manufactured tobacco, as proposed by the Commission, especially in these times of serious crisis, would be damaging to employment in this sector in Europe. Experience has shown that a policy of high prices is not an effective method of combating nicotine addiction.

That is why I am equally satisfied that an alignment of the minimum rate of taxation applied to rolling tobacco to that applied to cigarettes has been avoided. The buffer function of rolling tobacco is essential in order to prevent an upsurge in smuggling on European territory. In Germany, a study has shown that, in some *Länder*, more than one cigarette in two has been smuggled. In order to contain this phenomenon, fine-cut tobacco must be able to act as a substitute for cigarettes.

I regret that certain very sensible amendments were rejected by a narrow margin.

I trust that our message will nonetheless reach the Council of Ministers, which needs to rule unanimously.

**David Martin (PSE)**, *in writing*. – Whilst I agree with taxation on tobacco, and a minimum tax across Europe, I abstained because of the damage it could do to the British tax on tobacco. The Government enjoys freedom to increase taxation on tobacco, which can be an incentive for people to reduce and quit smoking, improving our health and decreasing the stress on the NHS. This report would have compromised and constrained the Government's ability to tax tobacco, which is why I abstained.

**Luca Romagnoli (NI)**, *in writing*. – (IT) I voted against the report by Mr Becsey on the proposal for a Council directive amending Directives 92/79/EEC, 92/80/EEC and 95/59/EC on the structure and rates of excise duty applied on manufactured tobacco.

I do not endorse the above-mentioned proposal, because in my view it could weaken the Commission's proposal. As a result, it would hinder achievement of the intended goal, which is to help reduce tobacco consumption by 10% by 2014.

**Olle Schmidt (ALDE)**, *in writing*. – (SV) The Commission's proposal aims to harmonise tobacco taxation within the EU in order to stem the significant cross-border trade in tobacco, which runs the risk of undermining the public health objectives of the Member States. The proposal presented by the draftsman of the opinion of the Committee on Economic and Monetary Affairs is a significantly weaker one than that contained in the Commission's original text. As the representative of the Group of the Alliance of Liberals and Democrats for Europe, I did my utmost to improve the report. The issue of tobacco duties is a very difficult one to resolve due to the large differences in tax rates and views on the harmful effects of tobacco within the EU. Divisions within the various groups were large, including my own. Despite my efforts, I came to the conclusion, in the end, that Parliament's proposal did not go far enough. I then chose to abstain in the final vote on the new tobacco duties.

**Peter Skinner (PSE)**, *in writing*. – The European Parliamentary Labour Party agrees that levels of duty set too low encourage cross-border arbitrage and lead to uncontrolled/unlicensed reselling of manufactured tobacco. The minimum levels of duty-setting are, therefore, a very useful instrument to effect the changes necessary to begin to change this. Some European countries may wish to go further than the minimum levels for justified scientific and social reasons, and this is proper too.

**Marianne Thyssen (PPE-DE)**, *in writing*. – (NL) I appreciate the efforts of the rapporteur in producing a report, but I am unable to support what he has come up with. I am absolutely convinced of the benefit of

increasing excise duties on tobacco in order to help combat tobacco usage. I would like to stress that, for me, the health considerations are more important than the economic considerations per se. I also find it lamentable that the rapporteur waters down the Commission's proposals. For these reasons I therefore voted against Mr Becsey's report.

**- Report: Cristiana Muscardini (A6-0054/2009)**

**Alessandro Battilocchio (PSE), in writing.** – (IT) I voted in favour.

Through immigration to the old continent in the last 30 years, a barbaric and unlawful practice, carried out for the most part in Africa, has silently entered Europe.

The WHO data are quite clear: female genital mutilation or FGM is a widespread practice in 28 African countries, in the Middle East and in some countries in Asia. Approximately 100-140 million women and girls worldwide have undergone the practice, while 4 million are potentially at risk. FGM represents a debasement of the European integration process, as well as being a denigration of gender equality.

The European Parliament, which for years has been committed to upholding the fundamental rights of all citizens, already adopted a resolution on the issue in 2001. However, it is now time to take a step forward by also supporting the DAPHNE III Programme, which has financed 14 FGM-related projects to date, and by outlining the priorities for the prevention and elimination of FGM in Europe. One of the areas in which the efforts to combat FGM will have to be intensified is prevention with reference to girls. An essential step in that direction is to identify the children at risk and to implement preventive measures in cooperation with their families through psychological support systems.

**Martin Callanan (PPE-DE), in writing.** – It is hard to think of anything more horrific and primitive than female genital mutilation. Unfortunately this barbaric practice has manifested itself within the EU due to the steady stream of immigration from countries where it is carried out regularly.

The Muscardini report rightly sets out our abhorrence at this brutality in our midst and suggests ways to ensure that our values of equality and freedom are translated into concrete action against female genital mutilation. Notwithstanding the European Union's commitment to multiculturalism, we need to make sure that the relentless tide of political correctness emanating from EU legislation does not impinge upon our determination to stamp out this vile practice.

There are, of course, limits to what we can do to prevent female genital mutilation in third countries. However, we must be prepared to link trade and aid relationships to improvements in human rights, and in particular to the outlawing of this repellent crime against women.

**Charlotte Cederschiöld, Christofer Fjellner, Gunnar Hökmark and Anna Ibrisagic (PPE-DE), in writing.** – (SV) We have today voted in favour of Mrs Muscardini's own-initiative report, A6-0054/2009, on combating female genital mutilation in the EU. The report flags up a very serious problem and clearly illustrates the need for action to be taken against such a practice. The report also puts forward various proposals for ways of achieving this. We therefore welcome the fact that the Member States are cooperating to tackle this problem.

However, we would like to emphasise that the issue of regular, preventive health checks for girls and women who have been granted asylum in the EU because of the threat of genital mutilation is one which should be dealt with by the individual Member State, with deference to the rights of the individual concerned.

**Proinsias De Rossa (PSE), in writing.** – I support this report which takes up the serious problem of female genital mutilation. FGM has become more common in Europe over the past 30 years through migration. FGM not only causes very serious and irreparable injuries to the physical and mental health of women and girls, - in some cases has even been fatal - but is a violation of fundamental rights enshrined in international conventions, prohibited under the criminal law of the Member States and in breach of the principles laid down in the Charter of Fundamental Rights of the EU.

It is estimated that in Europe, some 500,000 women have suffered FGM and that approximately 180,000 female immigrants in Europe undergo, or are in danger of undergoing FGM every year.

The report calls for the Commission and Member states to work together to harmonise existing legislation. The aim is to focus on prevention through better integration of immigrant families and to raise awareness by promoting educational campaigns and initiating dialogue forums on traditional practices. It strongly

supports prosecuting anyone carrying out FGM, as well as providing medical and legal support for victims, and protection for those at risk, including the granting of asylum in certain cases.

**Avril Doyle (PPE-DE), in writing.** – The practice of Female Genital Mutilation (FGM) is one that, according to Amnesty International, touches the lives of 130 million women for whom, for cultural, religious or other non-therapeutic reasons, circumcision is a 'valued' social practice inflicted upon them. Research suggests that the practice persists because of a belief that circumcision will moderate female sexuality, and so assure subsequent 'marriageability', and that it is religiously sanctioned. FGM is known to cause a wide range of immediate, long-term complications and even death for women subjected to the practice. It has come to our attention primarily through globalisation and mobility of people and has become intricately linked to the policies and politics of immigration and asylum.

When people are in fear of persecution, they are entitled to cross a border and seek refuge and protection. FGM is currently central to a debate in asylum cases, where Michael Aondoakaa, the Nigerian Minister of Justice has recently offered to testify against families claiming asylum on grounds of the threat of FGM in Nigeria, where it is officially outlawed. Unofficially, however, I accept that it is still widely practiced, even in Nigeria.

In Ireland FGM is viewed as an expression of gender-based violence. I support Mrs Muscardini's report.

**Lena Ek and Olle Schmidt (ALDE), in writing.** – (SV) Today we have adopted a position on the own-initiative report on combating female genital mutilation. We have chosen not to support the alternative resolution tabled by our group, among others, here in Parliament, which ultimately also won the majority vote. The reason for our decision was that we believe that the original report was better. The alternative resolution contained text concerning a requirement for regular check-ups by doctors for women who have been granted asylum because of the threat of female genital mutilation. The purpose of this wording is to prevent female genital mutilation from occurring within the EU. However, we believe that this measure is an invasion of privacy and goes much too far, and it will burden already vulnerable young women in a way that is unacceptable. Visiting the doctor should be something that is done voluntarily. We have therefore chosen not to support the alternative resolution.

**Edite Estrela (PSE), in writing.** – (PT) I voted in favour of the motion for a European Parliament resolution on combating female genital mutilation in the EU. Female genital mutilation (FGM) not only causes very serious and irreparable injuries to the physical and mental health of women, but it is also a violation of fundamental human rights. Due to the irreparable damage that it causes, FGM must be regarded by society as a very serious crime and must be vigorously combated.

It is estimated that in Europe some 500 000 women have been victims of this crime, which is why it is vital that the European Commission and the Member States work together to harmonise existing legislation in order to prevent and eliminate FGM in the European Union.

**Hélène Goudin and Nils Lundgren (IND/DEM), in writing.** – (SV) Female genital mutilation is a cruel and inhumane custom and has no place in a modern society. As the June List does not consider the EU merely to be a form of cooperation for the benefit of increased growth and trade, but also as a forum for upholding common fundamental human values, we have chosen to vote in favour of the report.

However, we are utterly opposed to several of the far-reaching wordings relating to the Member States' criminal law. Legislation that is aimed at maintaining the functioning of society should be initiated and decided by the national elected parliaments, not by the European Parliament.

**Anna Ibrisagic (PPE-DE), in writing.** – (SV) I have today voted against Mrs Muscardini's own-initiative report, A6-0054/2009, on combating female genital mutilation in the EU. This report deals with a very serious problem and the need for measures to tackle it is made clear. I welcome cooperation between the Member States in this area.

I have, nevertheless, chosen to vote against it, as I believe that all health care should be voluntary. I am opposed to regular preventative health check-ups for girls and women who have been granted asylum because of the threat of female genital mutilation, as I believe that it is discriminatory and represents an invasion of privacy.

**Jörg Leichtfried (PSE), in writing.** – (DE) I am voting in favour of Mrs Muscardini's report concerning a clampdown on female genital mutilation. More than half a million women are currently affected by this

hideous ritual which must be banned once and for all and the perpetrators prosecuted. The measures and decisions taken in the past must be combined and extended. We need comprehensive strategies and action plans to allow us to protect women from the archaic tradition of circumcision.

During negotiations with third countries, the Commission must continue to attempt to introduce the abolition of female genital mutilation as a clause and it must be possible for anyone who commits the offence of female circumcision in any EU Member State to be prosecuted.

**Luca Romagnoli (NI)**, *in writing*. – (IT) I voted in favour of the report by Mrs Muscardini on combating female genital mutilation in the EU.

I consider such practices to be atrocious violations of the human right to personal integrity. I therefore agree with the rapporteur that there needs to be a sound strategy to prevent and stamp out FGM.

**Lydia Schenardi (NI)**, *in writing*. – (FR) Of course we shall support this courageous report, which attacks outmoded practices – practices which are spreading across Europe as a result of immigration.

Following the Universal Declaration of Human Rights and the Convention on the Elimination of All Forms of Discrimination against Women, it is no longer acceptable for such practices to be able to persist in Europe and across the world.

According to data collated by the World Health Organization, between 100 and 140 million women and young girls in the world have been subjected to genital mutilation and, every year, 2 to 3 million women face the risk of suffering these seriously incapacitating practices.

We must not forget that such practices originate in social structures based on inequality of the sexes and on unbalanced power relations of domination and control under social and family pressure, and that this amounts to a violation of fundamental rights and causes grave and irreversible damage.

We must wholly condemn and punish these practices. Immigrant populations must comply with our legislation and our respect for the individual and not bring with them these unacceptable and barbaric practices.

**Søren Bo Søndergaard (GUE/NGL)**, *in writing*. – Female genital mutilation is a practice that must be condemned by the Member States. It constitutes a violation of women's fundamental rights, particularly the right to personal integrity and sexual and reproductive rights. However, there are aspects of the Muscardini report that I do not fully support, such as the formulations regarding questioning the credibility of parents who request asylum on the grounds that they have refused to consent to their child undergoing female genital mutilation. I see no reason to throw particular suspicion on people who request asylum on these specific grounds. Another formulation in the report which I do not support is the one proposing regular medical examinations on women and girls who are granted asylum because of the threat of female genital mutilation in their home country. I consider the practice to be discriminatory against these women and girls. If a person is granted asylum in a Member State, she should have the same rights and obligations as other citizens in the country.

**Eva-Britt Svensson (GUE/NGL)**, *in writing*. – Female genital mutilation is a practice that must be condemned by the Member States. It constitutes a violation of women's fundamental rights, particularly the right to personal integrity, and of sexual and reproductive rights.

However, there are aspects of the Muscardini report that I do not fully support such as the formulations regarding questioning the credibility of parents who request asylum on the grounds that they have refused to consent to their child undergoing female genital mutilation. I see no reason to throw particular suspicion on people who request asylum on these specific grounds.

Another formulation in the report which I do not support is the one proposing regular medical examinations on women and girls who are granted asylum because of the threat of female genital mutilation in their home country. I consider the practice to be discriminatory against these women and girls. If a person is granted with asylum in a Member State she should have the same rights and obligations as other citizens in the country.

**Frank Vanhecke (NI)**, *in writing*. – (NL) I gave my support to Mrs Muscardini's report, or rather to the amended text as a whole, as obviously no sensible person can be anything other than filled with disgust on

hearing of the gruesome genital mutilation of women and girls in – and I use this term with a complete lack of respect – backward cultures and religions.

I do find it regrettable that the usual code words about 'reproductive rights' are being thrown in here again, even though they are not actually appropriate and probably only serve to get the politically correct left on board. What a right to abortion has to do with combating barbaric genital mutilation will remain a mystery to me.

It would be better to take this opportunity to ask ourselves whether, for example, Islam adequately respects this fundamental value of the equality of men and women, and, if the answer is no, whether there should therefore be a place for Islam in our Europe.

**Anders Wijkman (PPE-DE), in writing.** – (SV) The original own-initiative report on combating female genital mutilation was very good, but the revised version, which won the vote, contained a wording in which the authors indicate the desire to introduce regular medical check-ups for women who have been granted asylum because of the threat of female genital mutilation. The intended purpose of this is to prevent female genital mutilation from occurring in the receiving EU Member State. I believe that enforced medical check-ups constitute a massive invasion of privacy. Visiting the doctor must be something that is done voluntarily. Employing compulsion in this situation is completely unacceptable. I therefore voted against the revised version.

**Anna Záborská (PPE-DE), in writing.** – (SK) I have been making a special effort to ensure that the committee I chair would be able to complete the work leading to the approval of the resolution. This topic is undoubtedly important.

Female genital mutilation causes serious and irreversible harm to the physical and mental health of the women and girls affected, it abuses them as human beings and it violates their integrity. In some cases the consequences are fatal.

In the report, the European Parliament calls on Member States to adopt a preventative strategy of measures aimed at protecting underage girls that would not stigmatise immigrant communities and that would work through public programmes and social care services with the aim of preventing such practices and providing help to victims who have undergone such practices. It asks the Member States to consider, in accordance with legal regulations on child protection, whether the threat or risk of mutilation of the genital organs of an underage person does not constitute a reason for intervention from the state authorities.

Member States should draw up guidelines for health workers, teachers and social workers, the aim of which should be to inform parents of the risks of female genital mutilation in a tactful way, with the assistance of an interpreter where necessary.

However, the resolution also calls for support for sexual and reproductive health. This concept has never been defined by the WHO or by instruments of the *acquis communautaire*. For this reason it is exploited by some groups in support of abortion.

I am sorry, but I have abstained from voting for this reason.

#### **- Report: Vasco Graça Moura (A6-0092/2009)**

**Alessandro Battilocchio (PSE), in writing.** – (IT) On several occasions I have spoken out in favour on issues relating to multilingualism, so I think my position is quite clear.

The linguistic and cultural diversity of the European Union is a huge competitive advantage. In my opinion it is vital to promote in practice programmes for language teaching and cultural and student exchanges, both within and outside the EU, as I did when I supported the Erasmus Mundus programme. Multilingualism is essential for effective communication and represents a means of facilitating comprehension between individuals and, hence, acceptance of diversity and minorities.

Linguistic diversity also has a significant impact on the daily lives of EU citizens due to media penetration, increasing mobility, migration and advancing cultural globalisation. The acquisition of a diverse range of language skills is of the greatest importance for all EU citizens, since it enables them to derive full economic, social and cultural benefit from freedom of movement within the Union and from the Union's relations with third countries. Language is in fact a fundamental factor in social inclusion.

Europe's linguistic diversity therefore represents a vital cultural asset, and it would be a mistake for the European Union to limit itself to just one main language.

**Adam Bielan (UEN)**, *in writing*. – (PL) Multilingualism in the European Union is a great attribute in contacts with third countries. It can give us a significant competitive advantage, and so education and language exchange programmes should be supported, but not only in large urban areas, where access to these things is already easier.

When introducing such a policy we must also remember that Europeans, while united, are first and foremost citizens of their own countries. Care should be taken that they are able to identify with their own language. This aspect is also mentioned in Mr Moura's report.

**Martin Callanan (PPE-DE)**, *in writing*. – The European Union spends colossal sums of taxpayers' money every year in the name of multilingualism. For an organization that seeks to erode the differences between nations and peoples, the EU attaches a great deal of importance to linguistic nationalism. One such example of this is the concession to Irish nationalists of making Gaelic one of the official languages of the EU.

The costs and bureaucracy associated with the misguided policy of multilingualism will only increase as the EU expands further. My constituents are rightly concerned about what they see as the indiscriminate use of public money to satisfy a policy that has little practical use beyond political window-dressing.

Despite the fact that English has become the common language in the European Parliament, I would hesitate to make it the single working language. Given the EU's enthusiasm for harmonization, I believe that a common language is a natural step on the road to a federal superstate. I therefore believe that we should have a handful of working languages. If the UN can manage with six languages for 200 or so member states, I'm sure the EU can cut back too.

**Koenraad Dillen (NI)**, *in writing*. – (NL) I voted against this report due to the improper use that could be made of its provisions by certain minorities in Flanders. It is certainly valuable to promote the linguistic diversity of the youth, in particular, of the EU in every possible way, but a policy of that nature must not be at the expense of legal respect for the local vernacular. I am thinking, for instance, of the Dutch language in the province of Flemish Brabant in Flanders. A European Agency on linguistic diversity would quickly become a means for the French-speaking minority to circumvent the compulsory use of Dutch in Flanders. The past has shown plenty of times how little understanding 'Europe' has of specific situations in the Member States. It is up to immigrants and minorities to learn and use the language of the area in which they live. That is what bears witness to linguistic diversity, not the other way around.

**Edite Estrela (PSE)**, *in writing*. – (PT) I voted against the alternative motion for a resolution to the Graça Moura report on 'Multilingualism: an asset for Europe and a shared commitment' because, by removing the possibility for parents to choose the official language in which their children will be educated, in countries or regions with more than one official language or with regional languages, it contradicts certain principles that are upheld by the European Parliament.

Instead, the alternative motion for a resolution simply refers to the need to provide special attention to pupils who cannot be educated in their mother tongue, thereby devaluing the basic principle of the vital need for education in the mother tongue, not only for educational success in general but also for the learning of other foreign languages.

**Ilda Figueiredo (GUE/NGL)**, *in writing*. – (PT) Overall this is a very positive document, which makes assumptions and recommendations that we endorse. The main question that arises is whether it can be implemented, as much now needs to be done in order to achieve what the document claims is essential, bearing in mind the political direction that the European Union has been taking.

On some of the issues raised, such as the predominance of certain European languages to the detriment of others, we are starting from a clearly negative position. In this respect we would point out the linguistic and cultural isolation in which certain national policies have put some ethnic groups in Europe, resulting in significant discrimination. At stake is the specific cultural legacy of the peoples of Europe and its successful transfer to future generations.

We would also stress the value of the role of teachers, translators and interpreters as professionals whose work is vital to the teaching, dissemination and mutual understanding of the languages spoken within the European Union.

We therefore regret that the alternative motion for a resolution has been adopted, as this waters down certain aspects contained in the Graça Moura report, not least the defence of the mother tongue and the parents' right to choose the official language in which their children will be educated, in countries or regions with more than one official language or with regional languages.

**Hélène Goudin and Nils Lundgren (IND/DEM)**, *in writing*. – (SV) The June List believes that cultural issues should fall within the political competence of the Member States.

This report does not form part of the legislative procedures and represents nothing more than the opinion of the European Parliament's federalist majority that the EU should increase its interference in the cultural sphere still further.

As usual, the European Parliament's Committee on Culture and Education insists on propounding new costly programmes and agencies at EU level. We in the June List do not believe that a multiannual programme or a European Agency on linguistic diversity and language learning at EU level will make any difference to Europe's approximately 500 million inhabitants, except to burden taxpayers even further.

Neither do we believe that the Commission's plans for information and awareness campaigns regarding the benefits of language learning will have any effect on the real world. It is the Member States who, in their education policy, should motivate their respective citizens to learn languages. That is not a matter for the EU.

We have therefore voted against this report.

**Adrian Manole (PPE-DE)**, *in writing*. – (RO) Nowadays Europe is living in a new world of globalisation, increased mobility and migration, as well as of regional regeneration and with a reinforced role for cross-border regions. This is why multilingualism must offer new solutions to Europe's citizens and our society.

I would like to congratulate the rapporteur for this report. I also hope that the amendments which we have submitted will guarantee mutual respect for languages, including those spoken by national minorities or our migrants, because our living linguistic heritage is a treasure: a resource which must be valued.

Language represents for each one of us the most direct expression of our culture. Therefore, by learning other languages we discover other cultures, values, principles and attitudes. We can discover in Europe the values which we have in common. This receptiveness to dialogue is an essential part of our European citizenship and a reason why languages are a fundamental element in it.

**Andreas Mölzer (NI)**, *in writing*. – (DE) On the one hand, the multi-million euro EU language teaching and exchange programmes are promoting multilingualism and highlighting on their website the importance of multilingualism as an essential factor in increasing the transparency, legitimacy and efficiency of the EU; on the other hand, the EU does not follow these principles itself. Even the website of the current Presidency takes no account of the fact that German, with an 18% share, is the language with the most native speakers in the EU, while a further 14% of EU citizens speak it as a foreign language.

This is a missed opportunity for the EU to come closer to its citizens. In practice, the consistent use of the three working languages: German, English and French, would make it possible to reach a majority of the population. As the rapporteur has apparently reached a similar conclusion, I have voted in favour of the report.

**Zita Pleštinšká (PPE-DE)**, *in writing*. – (SK) This report has shown again that Rule 45(2) has serious shortcomings. The new report, based on the amendment and the supplementary proposal, will make it possible to change the rapporteur's original report as voted through by the sponsoring committee. The proposers take over the report and insert new paragraphs over which the rapporteur has no say. And so a report approved in committee in the form of an approved alternative will be replaced with a new text. I consider this procedure to be very unfair to the rapporteur. I hope that in the near future Parliament will reassess this procedure and adopt a fairer solution.

I considered Mr Graça Moura's report to be very balanced and therefore I did not vote for the alternative proposal of the PSE, ALDE and Verts/ALE group. Since this proposal went through there was no vote on the original report. I agree with the rapporteur that linguistic and cultural diversity influence the everyday lives of citizens in a significant way. It represents an enormous bonus for the EU and we must therefore support programmes for language teaching and school and cultural exchanges within a framework that also extends beyond the EU.

Exchange programmes for teachers at all levels of education aimed at practicing teaching various subjects in a foreign language help to prepare teachers who can then pass on their linguistic expertise to pupils and students in their home countries. I would like to call on Member States to consistently focus on training foreign language teachers and at the same time to ensure that they receive adequate financial rewards.

**Zdzisław Zbigniew Podkański (UEN)**, *in writing*. – (PL) The issue of multilingualism and its preservation is one of the greatest challenges facing the Community. The effects of the policy of multilingualism are far-reaching and obvious, but if erroneously applied the results can be pitiful.

One of Europe's virtues is its multicultural nature, which is also expressed in multilingualism. It is at the same time a common obligation that is based on needs and the difficulty of re-forging multiculturalism into a clear strength which unites the Community, which will also have an impact beyond its borders and give Europe its rightful place in the world. So the stakes are high. A bad policy of multilingualism is based on favouring one or more languages and condemning the rest to marginalisation in all spheres of public activity. Through its legislation and institutions, the European Union has huge opportunities to conduct a good language policy. That makes its responsibility in this all the greater.

Mr Graça Moura's report does not solve all the problems associated with the right of individual European languages to co-exist and with the resulting privileges. Aside from official languages, there are also a huge number of other languages spoken in Europe, and which are threatened with extinction to various degrees. A feature of a good multilingual policy would be to protect these languages. However, the report focuses more on learning the official languages than on implementing the idea of multilingualism. What this issue needs is a sensible policy that is evolutionary in character, and I believe that a report in this direction should be accepted.

**Luís Queiró (PPE-DE)**, *in writing*. – (PT) The issue of multilingualism is vitally important in the European context. For that reason I have taken part in various initiatives that seek to promote and ensure full respect for multilingualism. The Europe in which I believe is also the Europe of linguistic diversity. For these reasons, I identify with Mr Graça Moura's original report. However, like the rapporteur, I cannot accept that a correct idea of respect for linguistic diversity and for individual and family freedom can or must be used as a weapon in an argument for extremist nationalism. This is not and must not be the nature of our debate.

Multilingualism is and must be promoted in the name of an idea of respect for the linguistic and cultural diversity of Europe, in this case. However, this is neither the time nor the place for another type of fight, particularly one that rejects subsidiarity and freedom.

**Luca Romagnoli (NI)**, *in writing*. – (IT) I have voted in favour of the report by Mr Graça Moura on multilingualism as an asset for Europe and a shared commitment.

In particular, as a university lecturer, I strongly support the proposal to promote language teaching and exchange programmes in the educational and cultural spheres, such as the well-known youth mobility programmes. These schemes, which are run by the Commission's DG for Education and Culture, add substantial value to students' educational experience and thus contribute to the EU's progress towards a knowledge-based society.

**Flaviu Călin Rus (PPE-DE)**, *in writing*. – (RO) I voted for the draft European Parliament resolution on 'Multilingualism: an asset for Europe and a shared commitment' (2008/2225(INI)) because I believe that cultural and linguistic diversity within the European Union is a treasure which makes an effective contribution to 'unity in diversity'. I also think that school and cultural exchanges, as well as programmes for teaching foreign languages in countries both within and outside the EU are beneficial and must be supported.

**Czesław Adam Siekierski (PPE-DE)**, *in writing*. – (PL) Multilingualism is undoubtedly one of the united Europe's great virtues. Acquiring linguistic competence should be instrumental in improving one's qualifications, finding a better job or acquiring new interpersonal contacts. According to annual studies carried out by linguists, multilingual people are more capable, show greater imagination and think outside the box more than monolingual people. They are also more creative and have broader horizons. I will not mention the obvious advantages of being able to communicate with larger numbers of people, who often have a completely different mindset derived from different cultures or people.

These benefits of multilingualism show that we must all give priority to learning languages. This is what makes it so important that each citizen of the Community should have equal levels of access to language learning. That is why I support all of the Commission's actions to investigate and evaluate the study of foreign



languages, and language learning methods and programmes. I believe that the aim of this is to harmonise foreign language learning throughout the European Union in future, which will result in greater linguistic competence and which will ultimately be reflected in the number of highly qualified citizens of the Community.

**Catherine Stihler (PSE)**, *in writing*. – Multilingualism is a great asset of the European Parliament. As the only Parliament in the world which has simultaneous translation in 23 different languages, we should do everything we can to retain this unique aspect of our work. All EU citizens should be able to read about the work of the EU institutions in their own language, and Member States should do all that they can to provide the opportunity for all EU citizens to be able to speak other EU languages.

**Andrzej Jan Szejna (PSE)**, *in writing*. – (PL) I definitely support the multilingualism of the European Union. The multilingualism of Europe emphasises its cultural pluralism, which is evidence of its uniqueness. The language competences of the citizens of a united Europe should constantly be extended. Multilingualism is an essential element of European integration, allowing EU citizens to choose freely their place of residence and where to find work. At the same time it is necessary to emphasise the significance of the mother tongue as a means for gaining a suitable education and professional qualifications.

We should pay special attention to the continual need to raise the competence of foreign-language teachers and to introduce new teaching methods. The rapporteur emphasises the significance of giving help with learning foreign languages to citizens who want to learn on their own, noting at the same time the importance of the acquisition of foreign languages by elderly people. Like the rapporteur I think it is essential to give permanent support to citizens for learning foreign languages, and that particular attention should be paid to citizens in disadvantaged situations. I think that language learning will combat discrimination and support integration of the counties of a united Europe.

I fully support the demands of the European Parliament regarding the multilingualism of Europe.

**Anna Záborská (PPE-DE)**, *in writing*. – (SK) The resolution on multilingualism is an asset for Europe and an important step towards an educated Europe, for it insists that the official languages of the EU are recognised as having equal value in all areas of public life. I firmly believe that Europe's linguistic diversity represents a major cultural asset. It would be wrong for the EU to be limited to just one language.

The resolution mentions the importance of multilingualism, which applies not only to the economic and social spheres but also to cultural and scientific output and the promotion of such output, as well as the importance of literary and technical translations for the long-term development of the EU.

Last but not least, languages play an important role in forming and strengthening identity.

Multilingualism is an area with wide ramifications. It has an enormous impact on the lives of European citizens. Member States are challenged to incorporate multilingualism not only in education but also in all future policies.

I appreciate the fact that the resolution supports the study of a second EU language for officials coming into contact with citizens from other Member States in the course of their work.

The role of EU institutions is decisive for securing compliance with the principles of linguistic equality, both in relations between Member States and in individual EU institutions, and also in relationships between EU citizens and domestic institutions, Community bodies and international institutions.

I have supported the resolution, I congratulate the rapporteur and I am proud to have been the first Slovak Member to launch a discussion on multilingualism within institutional frameworks through a written declaration.

#### **- Report: Lambert van Nistelrooij (A6-0083/2009)**

**Edite Estrela (PSE)**, *in writing*. – (PT) I voted in favour of the van Nistelrooij report, given the importance of territorial cohesion for ensuring that the European Union continues to follow a path of sustainable and harmonious development, increasingly transforming its territorial cohesion and diversity into an asset.

The Green Paper represents an important step forward in the development of territorial cohesion and the shared responsibilities of the Union. It also encourages broad debate on this subject among the European institutions, national and regional authorities, economic and social partners and other actors involved in European integration and territorial development.

The most positive aspects are the value attributed to the potential of the European territory and to its diversity, and also the three key concepts for more balanced and harmonious development in each region: reduction of the negative effects associated with differences in density; connection between territories in order to overcome distance; and cooperation in order to overcome divisions.

**Emanuel Jardim Fernandes (PSE), in writing.** – (PT) I congratulate Mr van Nistelrooij on his report and, in particular, on his readiness to take on board the various amendments tabled on his draft report.

I fully support this report.

I totally agree with linking the debate on territorial cohesion to the debate on the future of the EU's cohesion policy, given that the reform of the latter must incorporate the conclusions of the former.

I agree with the report's assessment of the Green Paper and with its analysis of the concept of territorial cohesion, and I endorse its recommendations for the future of territorial cohesion, particularly with regard to:

- definition of territorial cohesion;
- publication of a White Paper on territorial cohesion;
- reinforcement of the European Territorial Cooperation Objective;
- integration of territorial cohesion in the future development of all Community policies;
- elaboration of additional qualitative indicators;
- measurement of the territorial impact of sectoral Community policies and proposal of ways to create synergies between territorial and sectoral policies;
- development of a comprehensive European strategy for regions with specific geographical features;
- establishment of a comprehensive system of gradual transitional assistance to the transition regions; and
- development of multi-level territorial governance.

I therefore voted in favour.

**Hélène Goudin and Nils Lundgren (IND/DEM), in writing.** – (SV) In his report, the rapporteur writes that cohesion policy is one of the EU's most successful investments. That is a startling conclusion, not least because, as recently as November last year, the European Court of Auditors confirmed that 11% of the EUR 42 billion that was approved in 2007 within the framework of the EU cohesion policy should never have been paid out.

The rapporteur seems to be fully aware of this and, in paragraph 17, urges those involved in the debate on territorial cohesion to avoid all references to the budgetary and financial implications of the proposed policy: keep a lid on it, in other words.

The EU's cohesion policy is badly thought out. From a socio-economic perspective, where account has to be taken of taxpayers' money, it is nothing more than a complete disaster. Naturally, the June List voted against the report as a whole.

**Pedro Guerreiro (GUE/NGL), in writing.** – (PT) What does the rejection by the European Parliament of our proposals for a resolution on the future of EU cohesion policy mean? These proposals underlined that:

- structural policy must have, as its primary and principal objective, the promotion of real convergence, by acting as an instrument of redistribution to the least developed countries and regions in the European Union;
- the objective of reducing the amount by which the least favoured regions lag behind must not play second fiddle to territorial cohesion;
- new Community financial resources must be found for new priorities, all the more so as the current Community financial resources are insufficient to meet the needs of real convergence;
- there is a need to boost the Community budget in order to promote economic and social cohesion at EU level;

- land management and planning are the responsibility of each Member State;
- measures must be adopted to cancel out the so-called statistical effect;
- competitiveness must not be a substitute for convergence in those Member States and regions which are lagging behind in their socio-economic development, and cohesion policy and its associated financial resources must not be subordinated to the competition and liberalisation advocated by the Lisbon Strategy.

One possible answer could be that, at the very least, the proclaimed cohesion policy is actually at risk ...

**James Nicholson (PPE-DE), in writing.** – The concept of territorial cohesion is now recognised as a key objective of the Union alongside social and economic cohesion.

Territorial cohesion is essentially about achieving balanced development across the EU and in this context it should constitute a central objective of all community policies. This report highlights the fact that territorial cohesion will be especially relevant for geographically disadvantaged areas such as mountainous regions and islands.

The Commission now needs to proceed with a legislative package which outlines concrete provisions and policy actions concerning territorial cohesion, in order to achieve it.

**Luís Queiró (PPE-DE), in writing.** – (PT) The debate on territorial cohesion is much more than a budget debate or a debate on Community policies; it is a debate on the guiding principles of one of the founding and fundamental concepts of the idea of Europe as we see it. The assessment of cohesion policy and the search for the most appropriate solutions in a Europe enlarged to 27 members, which is currently going through an economic crisis, therefore deserve our agreement and our applause. However, this does not mean that we agree with or applaud the whole content of the Green Paper.

Given the criteria that we value, the three key concepts of this assessment are correct, namely: to reduce the negative effects associated with differences in population density; to connect territories in order to overcome distance; and to cooperate in order to overcome divisions. However, given the precise nature of what is at stake, this cannot lead to the level of structural aid being dependent on the number of inhabitants covered; quite the contrary. The idea of territorial cohesion must itself be based on the idea of making an area which people are deserting attractive and viable. This is one of our objectives, which must be clearly pursued.

The idea of cohesion is basically an idea of solidarity by which we are all bound and from which we can all benefit.

**Luca Romagnoli (NI), in writing.** – (IT) I voted against the report by Mr van Nistelrooij on the Green Paper on territorial cohesion and the state of the debate on the future reform of cohesion policy.

The reasons for my disagreement derive from a different view of territorial cohesion, which is why I feel I cannot endorse the rapporteur's considerations.

**Catherine Stihler (PSE), in writing.** – I agree with the rapporteur that we need to define the principle of territorial cohesion more clearly.

#### **- Report: Oldřich Vlasák (A6-0031/2009)**

**Filip Kaczmarek (PPE-DE), in writing.** – (PL) I voted in favour of Mr Vlasák's report on the urban dimension of cohesion policy in the new programming period. I live in Poznań, the regional capital of Wielkopolska. I see the positive effects of the city's development on that of the entire region on an almost daily basis. I would even stick my neck out and say that the long-awaited synergy between urban and regional development has come about.

Urban development has nothing to do with local centralism. Those who are against the development of big cities are often unaware of the importance of those cities to the regions in which they are situated. Due to their very nature, some functions of big city centres cannot be transferred to rural areas. Persons managing cities have a particular responsibility. The tasks they face, as regards planning; spatial management; social dialogue; culture and education; and the creation of sustainable knowledge-based jobs, are all highly complex. Some of these tasks involve close collaboration with local governments at other levels.

It is also important that the urban dimension of cohesion policy does not compete with, but complements rural development. Both rural and urban areas can and should undergo development, and both processes are supported by the European Union.

**Luca Romagnoli (NI)**, *in writing*. – (IT) I voted against the report by Mr Vlasák on the urban dimension of cohesion policy in the new programming period.

Although I understand the importance of sustainable urban development, I think it will be difficult to achieve it without a common definition of 'urban areas'.

**Brian Simpson (PSE)**, *in writing*. – I support this report and would use this opportunity to reinforce the view that there has to be an integrated approach to cohesion policy.

This integration, however, should be an instrument for delivering benefits not a measure that could be restrictive, and this element needs to be carefully monitored.

Urban cohesion is essential in delivering sustainable economic and social progress. In that regard I would highlight the role of transport and the provision of modern transport infrastructure as essential in delivering cohesion policy in the urban areas.

**Catherine Stihler (PSE)**, *in writing*. – The urban dimension of cohesion policy needs to be given a greater priority.

#### **- Report: Miroslav Mikolášik (A6-0108/2009)**

**Luca Romagnoli (NI)**, *in writing*. – (IT) I voted against the report by Mr Mikolášik on the implementation of the Structural Funds Regulation 2007-2013: the results of the negotiations on the national cohesion strategies and the operational programmes.

**Catherine Stihler (PSE)**, *in writing*. – It is necessary to monitor the implementation of the Structural Funds Regulation 2007-2013 closely in order to ensure proper use of taxpayers' money and to enable us to evaluate properly for programmes post 2013.

#### **- Report: Zsolt László Becsey (A6-0041/2009)**

**Adam Bielan (UEN)**, *in writing*. – (PL) Small businesses play a significant role in creating jobs in Europe and we should make it easier for them to function. I would like to emphasise that I support all initiatives which aim to promote small businesses in the EU and to help those who want to be self-employed.

I endorsed the Becsey report because it favourably assesses the initiative for micro-credits in Europe.

**Šarūnas Birutis (ALDE)**, *in writing*. – (LT) A successful European initiative for micro-credits could fundamentally help achieve the growth and employment goals laid down in the renewed Lisbon Strategy and create a modern, creative and dynamic European economy. Small enterprises are an essential source of growth, employment, business aptitude, innovation and cohesion in the EU. Micro-credits may first of all support one of the four priorities of the Lisbon Strategy: to be precise, the opening of business opportunities by helping people to (re)integrate socially and economically and by employing them. The Lisbon Strategy can only really be considered to be successful if the level of employment is increased considerably. The outcome of a European initiative in the area of micro-credits should be modern, paying most attention to those purposive groups, which until now have not received sufficient attention.

**Małgorzata Handzlik (PPE-DE)**, *in writing*. – (PL) The success of micro-credits in reducing poverty in developing countries, particularly in Southern Asia and Latin America, has not yet taken hold in the EU. However, the need for micro-credits is great, especially among people unable to take out loans in the traditional banking sector. Micro-credits as a business differ from traditional banking. They are granted not just on financial grounds, and not simply for profit, but also help promote cohesion by attempting to integrate people who find themselves in unfavourable circumstances, and want to set up a micro-enterprise.

A successful European initiative to develop micro-credits could help to achieve the aims of the renewed Lisbon Strategy for growth and employment and help to make the European economy more innovative, creative and dynamic. In particular, they can help to implement the priority of releasing economic potential by supporting integration, or repeated social and economic integration of people through self-employment.

That is why I support the motion of the rapporteur, who is asking us to adopt appropriate national institutional, legal and commercial frameworks to promote a more favourable environment for the development of micro-credits and to establish a harmonised European framework for non-banking micro-finance institutions.

**Bogusław Liberadzki (PSE), in writing.** – (PL) I voted to adopt the report with recommendations to the Commission on a European initiative for the development of micro-credits in support of growth and employment. I agree with the rapporteur that small enterprises are an essential source of growth, employment, entrepreneurial skills, innovation and cohesion in the EU.

We should emphasise the fact that micro-credit is often granted not only for economic reasons and not only for profit, but also serves a cohesion purpose by trying to integrate or re-integrate disadvantaged people into society.

I endorse adoption of the report. Having regard to the fact that micro-credits may contribute to the unlocking of business potential by helping people through self-employment, I think that this method should be brought to the EU.

**Jamila Madeira (PSE), in writing.** – (PT) This report is vitally important in the context of the work that the EU is carrying out on cohesion policy and on cooperation and development policy.

This view was also broadly supported by the European Parliament in its written declaration P6\_TA(2008)0199 adopted on 8 May 2008, of which I had the honour of being one of the first signatories.

I therefore voted in favour of this report, as any type of investment and expansion in this area is vital and urgent, particularly in the current context of economic and financial crisis. As a result, specific and prompt action to increase the credibility and coherence of the system is now the goal of the European Commission and the Council.

**David Martin (PSE), in writing.** – Until now the success of microcredit systems in relieving poverty in developing countries has up to now not been translated into the EU context. I support this report because success of a European initiative on microcredit could contribute substantially to the achievement of the objectives of the Revised Lisbon Strategy, since small enterprises are an essential source of growth, employment, entrepreneurial skills, innovation and cohesion in the EU.

**Alexandru Nazare (PPE-DE), in writing.** – (RO) At the moment, discussions about measures for relaunching credit activities are on the agenda. In the current economic crisis and especially in countries like Romania, which are currently negotiating loans from international financial institutions, it is vital for banks to resume their main function, which is to provide the population with credit again.

I feel that Mr Becsey's report is innovative because it brings this issue back to the discussion table, however from a new angle, going outside the banking system to identify solutions to the current financial deadlock.

The report, which concerns the subject of micro-credits, is aimed at the disadvantaged groups in society, such as minorities, the Roma community or inhabitants of rural areas, who have untapped potential and want to set up a small business, but are not able to because they are not eligible to obtain a loan from a banking institution. These people have few options available to them.

This is why I regard as timely Mr Becsey's proposal to set up a Community fund to promote micro-credits for people and companies without direct access to bank loans and to improve the level of information about these financing instruments.

**Luca Romagnoli (NI), in writing.** – (IT) I wish to abstain on the report by Mr Becsey on a European initiative for the development of micro-credits in support of growth and employment.

I agree with certain points in the report, but I am decidedly against several other points, and therefore I cannot fully support the tabled text, hence my abstention.

**Catherine Stihler (PSE), in writing.** – Microcredit schemes can help many of the world's poorest out of absolute poverty, in particular women. The EU institutions and Member States should do more to support such schemes.

## 6. Corrections to votes and voting intentions: see Minutes

**President.** – That concludes the explanations of vote.

We shall resume our work at 3 p.m. with statements on the preparation of the G20 Summit.

*(The sitting was suspended at 1.35 p.m. and resumed at 3.05 p.m.)*

### IN THE CHAIR: MR PÖTTERING

*President*

## 7. Preparation of the G20 Summit on 2 April - with the participation of Gordon Brown, Prime Minister of the United Kingdom, Member of the European Council (debate)

**President.** – Ladies and gentlemen, dear colleagues, it is a great pleasure to welcome here this afternoon the Prime Minister of the United Kingdom, Gordon Brown. Welcome, Prime Minister, to the European Parliament.

*(Applause)*

The Prime Minister will make a statement to the European Parliament on the preparations for next week's G20 Summit. This summit meeting, which will take place in London on Thursday 2 April 2009, comes at a critical moment in the handling of the current international economic and financial crisis. It offers a vital opportunity for the leaders of both the industrialised world and the emerging economies to work together on a common agenda for immediate economic stability and longer-term recovery. The London Summit needs to agree on the macroeconomic policies and regulatory structures that can get us through the current crisis and put in place a better, more sustainable framework for the future.

As Chairman of the G20, Gordon Brown has been offering active international leadership at what is proving to be one of the most difficult times in recent history. The speed with which he has helped develop the G20 as a new tool of international economic governance is both encouraging and impressive. The Prime Minister has also made a strong and positive impact in showing how the United Kingdom can work effectively with its partners in the European Union, as together we find innovative solutions to the many challenges we face in common.

I have always believed that it is vital that Britain plays a committed role as a central player in the European Union.

*(Applause)*

Prime Minister, we strongly welcome your determination to play such a role.

I have great pleasure in giving the floor to the British Prime Minister, Gordon Brown.

*(Applause)*

**Gordon Brown, Prime Minister of the United Kingdom of Great Britain and Northern Ireland.** – Mr President, for this special honour of an invitation to speak to you, and for your successful Presidency of the Parliament, let me thank you. Let me thank you, European parliamentarians and members of the European Commission, led by President Barroso: it is thanks to the work of all of you, and the generations whose work we build on, that today we enjoy a Europe of peace and unity, which will truly rank among the finest achievements of human history and which is today a beacon of hope for the whole world.

*(Applause)*

And if anyone, in any country or continent, is in any doubt about how the human will and the courage of representatives with a mission can build a new future out of past decades of despair, let them simply reflect upon how, 60 years ago, Europeans talked of enmities that were forever entrenched and relationships that could never be repaired. They talked of a hard, long and bitter Cold War. They did not believe it possible that our Europe could ever be fully at peace, far less that it could unite and cooperate.

Then let them think of how today, after years of cooperation and unity, none but those on the political extremes would question that we are stronger together and safer together than ever we were apart.

*(Applause)*

On 9 November this year, we will celebrate the 20th anniversary of something that surely for each of us in this Chamber must count as one of the most defining events of our lives – the fall of the Berlin Wall. It was a wall torn down by the resolution of people determined that no barrier, no intimidation, no repression, would ever again be allowed to divide the people of Europe.

Friends, today there is no old Europe, no new Europe, no East or West Europe. There is only one Europe, and it is our home Europe.

I stand here proud to be British and proud to be European, representing a country that does not see itself as an island adrift from Europe but as a country at the centre of Europe – not in Europe's slipstream but in Europe's mainstream.

*(Applause)*

That is why I am also proud that by a large majority our British Parliament ratified the Lisbon Treaty.

*(Loud applause)*

I believe that we in Europe are uniquely placed to lead the world in meeting the wholly new and momentous challenges of globalisation ahead. We are uniquely placed because of what we have achieved in our Union. I want to thank the Members of this European Parliament. You should all be proud of what together we have achieved – the greatest and biggest single market in the world, now bringing opportunities to 500 million people, and the most successful endeavour in economic cooperation anywhere in the world. You should be proud that this is an achievement of the European Union.

You should be proud, too, of the comprehensive framework of environmental protection that we are building – a defining achievement of European coordination, with this continent the first in the world to set itself unequivocally on the path to becoming a low-carbon economy.

*(Applause)*

You should be proud, too, that, through the world's biggest programme of aid, the most sustained commitment to saving and changing lives anywhere in the world has been made by this European Union.

So many of the consumer rights and workplace rights we all enjoy across Europe have resulted from the campaigns led by individual Members and groupings of this House.

Let us not forget that the European Union has the most comprehensive social protection anywhere in the world – a set of rights and responsibilities that was enhanced for the people of Britain when, I am proud to say, our Government led Britain into the Social Chapter.

Mr President, these successes of Europe would have been impossible without the cooperation between peoples that you and this Parliament have delivered. Yes, we can see unity advanced by officials meeting officials across frontiers. Yes, we see unity when leaders meet leaders. But the unity that will last is the democratic unity rooted in the common values of people now represented in this Parliament, and more than treaties, more than institutions, more than individuals, it is these defining values that bind us closely together – our belief, as a European Union, that liberty, economic progress and social justice advance together or not at all.

These are the values rooted in the lessons we have learned by working together – the truth that freedom must never become a free-for-all, that markets should be free but never values-free, and the belief that being fair is more important than laissez-faire.

We have learned again in this crisis that wealth is of no great value to society unless it serves more than the wealthy. Riches are of value only when they enrich not just some communities, but all.

This is not simply our political philosophy – in Europe we believe these truths because we have lived them in the work we have done in our countries.

Now, in the midst of a global crisis of a speed, scope and scale quite unprecedented in history, I want to discuss with you how, by applying these values that are now part of our DNA – these lessons we have learned over time in Europe – Europe and the world can rise to the four great challenges of globalisation: financial instability in a world of instant global capital flows; environmental degradation in a world of energy shortages; extremism and the threat it brings to security in a world of unprecedented mobility; and growing poverty in a world of worsening inequality.

I want to discuss too how, with a global economy managed properly by us working together, billions of people in Asia and elsewhere, many of whom are just producers of *their* goods, can become tomorrow's consumers of *our* goods, how we can see over the next twenty years the biggest expansion of middle class jobs and incomes ever seen, and how, despite all the problems we have today, we can see ahead a world economy that will double in size, creating new opportunities for all of us in all our countries.

I want to discuss how we can build, from a world which today looks unsustainable, unsafe and unequal, a truly global society which is sustainable for all, secure for all and fair to all.

Let me repeat: I believe that the European Union is uniquely placed to lead in building this future, precisely because we have proved over the last 60 years that we as Europe can meet and master the challenges of cooperation across borders, of coordination between peoples, and of building unity out of diversity.

Some of you will know that for many years I have advanced the case for a global Europe, and for the economic reforms to make it happen. I know that some critics suggested that I was supporting global action more because I supported European action less. But I have made this case so strongly in recent years precisely because I passionately want Europe to be leading on the world stage, and because I believe that the countries of Europe, having come together around values of liberty, fairness and responsibility, have so much to offer the world as it, too, comes together.

I want to see a globalisation that is open, free-trading and flexible, but which is also reforming, inclusive and sustainable. That is the message, at these most testing of economic times, that Europe can send to, and share with, the rest of the world.

Today, as you know, an international hurricane is sweeping the world. No European country is immune from its impact. It is hitting every business, every worker, every homeowner and every family too.

Let us be honest with each other: our global economic system has developed and become distorted in ways that run contrary to the values that we celebrate and uphold in our families, in our communities and in every other part of our lives – values such as being fair to others and taking responsibility, honouring hard work and not rewarding irresponsible excess.

Complex products like banking derivatives, which were supposed to disperse risk around the world, have instead spread contagion. No longer can we allow risk to be transferred around the world without responsibility. I say that every part of what has been a shadow banking system must now come under the supervisory net.

(Applause)

Established limits to markets agreed in one country or region are being overtaken by global competition between all countries. I say that it is not enough to promote self-regulation and allow a race to the bottom: we have to agree international standards of transparency, disclosure and – yes – of remuneration too.

(Applause)

Just as globalisation has been crossing national boundaries, we know it has been crossing moral boundaries too. As we have discovered to our cost, the problem of unbridled free markets in an unsupervised marketplace is that they can reduce all relationships to transactions, all motivations to self-interest, all sense of value to consumer choice and all sense of worth to a price tag.

Yet a good society and a good economy need a strong sense of values. Not values that spring from the market, but values we bring to the market; the solid virtues of honesty, responsibility, fairness and valuing hard work – virtues that come not from markets, but actually come from the heart.

So starting at our debate today, as we prepare for the London Summit next week, I propose that we, as Europe, take a central role in replacing what was once called the Washington Consensus with a new and principled economic consensus for our times.



Faced with all these global problems, we cannot stand where we are. We have to act. Of course, we have a choice, and I know the temptation for some is to meet this new insecurity by retreating – to try to feel safe by attempting to pull up the drawbridge and to turn the clock back. But I tell you that if there is anything we know from past history, it is that protectionism is the politics of defeatism, the politics of retreat and the politics of fear, and that, in the end, it protects no one at all.

*(Applause)*

Instead of heading for the rocks of isolation, let us together chart the course of cooperation. That is in all our national interests. That is why I propose that Europe take the lead in a bold plan to ensure that every continent now makes the changes in its banking system that will open the path to shared prosperity, that every country participate and cooperate in setting global standards for financial regulation, and that every continent inject the resources needed to secure economic growth and jobs.

What is the agenda? First, the market is there to serve us; we are not here to serve the market. That is why we in Britain, other countries in Europe and, yesterday, America, have removed uncertainty from the banking sector in order to get lending moving again for those people who need it to get on with their ordinary lives in the midst of extraordinary times. I believe that the common principles behind the US, the UK and the European plans for cleaning up the banks' balances sheets will help to rebuild confidence and help to restore lending to the wider economy.

For the first time ever across our world, we have a consensus, reflected in the de Larosière report, the G30 report of Paul Volcker, the Turner report in the UK and the financial stability reform, that, in the interests of protecting people's savings, tough regulatory standards should be set across Europe and across the world, and be implemented and fully monitored, not just in one country, but in every continent of the world.

I believe that, for the first time, we can also agree the big changes necessary for coordinated action that will signal the beginning of the end of offshore tax havens and offshore centres.

*(Applause)*

Let us say together that our regulations should apply to every bank, everywhere, at every time, with no opt-out for a shadow banking system, and no hiding place in any part of the world for tax avoiders who are refusing to pay their fair share.

We know also that a worldwide fiscal and monetary stimulus to our economy can be twice as effective in every country if it is adopted by all countries. I believe that this year we are seeing the biggest cuts in interest rates the world has ever seen, and we are seeing implemented the biggest fiscal stimulus the world has ever agreed.

I am confident that the London Summit can build on the action that the European Council and the G20 Finance Ministers agreed a few days ago. We will do whatever it takes to create the jobs and the growth we need. I believe that the whole of Europe will agree with President Obama in saying that our actions should be sustained and robust until recovery is achieved.

We also have a responsibility to the unemployed. I believe that no one should go unemployed for months without the offer of training, a job or help to obtain a job, and that no school-leaver should be out of school and out of work for long without being offered the chance to get the skills they need for the future.

I believe also that in this crisis we must take urgent, serious and large-scale action to build a low-carbon recovery and make our economies sustainable. Europe led the Industrial Revolution and now it can lead a low-carbon revolution – through investment in energy efficiency, the expansion of renewables and nuclear power, the demonstration of carbon capture and storage, the development of the smart grid, and the commercialisation of electric and ultra-low-carbon vehicles. That is why I am proud to be part of the European 2020 package on energy and climate change that we agreed in December 2008 – a decision of this Parliament also which has set the highest standards for global leadership on the road to a climate change agreement we all want to see at Copenhagen later this year.

*(Applause)*

What we are now experiencing in some of the countries of eastern and central Europe demonstrates why we must build anew the international economic cooperation to help countries whenever they are in times of need.

A new, reformed, International Monetary Fund, in which we welcome greater representation from the emerging economies, and which must have at least USD 500 billion in resources – twice what it has today – must be empowered to help countries that are facing a flight of capital, help them assist restructuring the capacity of their banks and enable them to restore lending to their industries. I want an International Monetary Fund that does not just react to crises, but prevents crises, and I want a World Bank that has the resources to prevent poverty and to facilitate, amidst the collapse of trade credits, the expansion of trade around the world.

As we remember and celebrate that our European Union and this Parliament have so successfully expanded to welcome new members of our family, I say to EU Member States from eastern Europe now that we will not walk away from you at any time of need. We will do all that we can to be on your side.

(Applause)

Let us not forget either that, for hundreds of millions of people in the poorest countries, thrust into extreme poverty, this crisis is nothing less than a matter of life and death. The grim truth is that, because banks can fail and markets and trade collapse, half a million extra children – ten and a half million children in all – will die this year because they are literally too poor to live. Ten and a half million children is not just a statistic. It is one child, then a second child, then a third child, then a fourth; each of them not just a child, but somebody's child; each a funeral that should never have happened; each a life that could be saved – a tragedy, I believe, that strikes at the very soul of my being and yours.

(Applause)

Times that are difficult for us must never become the excuse for turning our backs on the poorest of the world or allowing broken banks to lead to and justify there being broken promises on aid. Instead of allowing our European aid pledges to drift towards being mere intentions, then vague aspirations, and, eventually, tragically quiet betrayals, we should instead redouble our efforts to make sure that ours is the generation that finally does make poverty history.

(Applause)

We can, together, deliver the biggest fiscal stimulus, the biggest cut in interest rates, the biggest reform in our international financial system, the first international principles governing banking remuneration and banking standards, the first comprehensive action around the world against tax havens and, for the first time in a world crisis, new and additional help to the poor.

How do we build this global consensus for the global changes we need? Let me say that one of the great opportunities ahead for us is for Europe and every other continent to work together. Today I want to emphasise also that Europe and America can work more closely together.

I talked to President Obama yesterday about what I want to talk to you about today: a new era of heightened cooperation between Europe and America. Never in recent years have we had an American leadership so keen to cooperate at all levels with Europe on financial stability, climate change, security and development. Seldom has such cooperation been so obviously of benefit to the whole world.

Starting with the EU-US Summit a few days from now, when President Obama comes to Prague, we can transform that summit from just an annual meeting into an unstoppable progressive partnership to secure the global change that the world now needs.

Think of all the advances we – Europe and America – in a new era of transatlantic cooperation, can work together to achieve. Let us work together for a new worldwide climate change agreement – a climate change agreement initiated at the G8 in 2005 by Chancellor Merkel – for the biggest cuts in carbon emissions the world has ever seen. Let us work together, Europe and America, to defeat the growing threat of terrorism from Pakistan and Afghanistan that can strike any of our countries' streets at any time.

With France under the leadership of President Sarkozy joining the centre of NATO again, let Europe and America work together to achieve something that was once a dream but is now, in my view, possible: a world where nuclear weapons do not proliferate and where the nuclear powers agree real reductions in their arsenals of nuclear weapons.

(Applause)

Let us work together also for an urgent imperative all of us want to see in our lifetimes and something that all parties in this Parliament, I believe, crave: peace in the Middle East, with a secure Israel side by side with a viable Palestinian state.

*(Applause)*

But the most immediate and the most urgently-needed gift our European and American cooperation could give is that, as a result of our actions, there will be more jobs, more businesses and more trade, as together we meet and master these great financial challenges of our time.

There is a quote from one of the most famous Europeans of all, Michelangelo, that it is better to aim too high and fall short, than to aim too low and succeed. That is the choice, written by Michelangelo, that we face now, because, as I look round this Chamber today, I see that all of us here are not just witnesses and not just spectators, but potentially the makers of change, free to shape our own destiny.

The people of Europe need not be mastered by events. No matter what they are, we can be master of them. So let it be said of us that, in the worst of times, in the deepest of downturns, we kept to our faith in the future and together we reshaped and renewed the world order for our times.

I believe that only once the history books have been written will we be able to truly grasp the range and scale of the extraordinary challenges each country on every continent is having to deal with as a result of globalisation now. This is more than a moment of change in our common history. This is a world of change, and we should remind ourselves that the most epoch-making decades in European history have never been fully understood as they have happened.

If you look back to the Renaissance, one of the greatest ages the world has ever seen, we cannot attribute its impact on the world to a single date or person or breakthrough. Or the Enlightenment – we cannot say with certainty when or by whom or how it was launched, merely that today's Europe and today's world could not exist without it. When we look back at the Industrial Revolution, we cannot point to the day the whistle blew and it began, or highlight just one inventor or entrepreneur or a management committee that oversaw it. We can only say today, of events that were not properly understood at the time, that we are all beneficiaries of them.

In this generation we face a world of change not yet fully understood, in which we can either hasten or delay progress by the myriad of decisions that we take every day. I say, in this world of amazing change – climate change, environmental demands, energy needs, the risk of terror, poverty and inequality that has to be tackled, a financial crisis that has to be dealt with – let us not retreat into the protectionism that is the road to ruin.

Let this be our legacy: that we foresaw and then shaped a truly global society for our new times; that, instead of globalisation being a force for injustice and inequality, we made globalisation a force for justice on a global scale; and that, faced with the most difficult of challenges, a united Europe, founded on shared ideals and based on shared values, helped build this world anew.

*(Sustained applause)*

**President.** – Prime Minister, on behalf of the European Parliament, I want to thank you for that very remarkable speech here in the European Parliament.

*(Applause)*

Now, it is a pleasure to invite the President of the European Commission, José Manuel Barroso, to make his contribution.

**José Manuel Barroso, President of the Commission.** – Mr President, the G20 Summit in London will be a milestone in the global response to the global crisis. I am very confident that, under Prime Minister Brown's leadership, it will be a success.

The initiative for a global response to a global crisis came from Europe. I recall that both President Sarkozy and I went to Camp David to propose to President Bush a global response. The G20 Summit in Washington in November 2008 was precisely the result of those joint efforts.

Europe has, therefore, a particular responsibility in the current G20 process. We want the London Summit to succeed, and I am sure it will succeed. Europe will be united in London and with a unified message. As

agreed last week by the 27 Member States in the European Council, we will have a proactive agenda for London. We want concrete results on a stimulus for the world economy and on the regulation of all financial actors, from banks to hedge funds, to new rules on credit-rating agencies.

We should be clear that there is no dichotomy between stimulating the economy and improving regulation – we need both. Indeed, we need to go beyond that: we need also to reject all forms of economic nationalism and protectionism and we need to renew our commitments to the less-developed world, making sure that Europe will respect the Millennium Development Goals.

The economic slowdown is particularly severe. So providing a coordinated stimulus to the economy through supporting overall demand is necessary. The European Union is already doing a lot on this front: our overall fiscal effort, combining discretionary action and automatic stabilisers, is close to 4% of GDP.

Now we must implement our recovery plans vigorously. We know what we have to do: to get loans flowing again; to keep people in jobs; to improve their skills for when the upturn comes; to continue to invest in productivity and European competitiveness. The Commission will monitor and evaluate what Member States are doing to coordinate our overall response to the crisis.

On financial regulation, the European Union wants to move the frontier further: no financial product, no institution, no market, no jurisdiction should be exempt from regulation. But not regulation for the sake of regulating – we need further regulation because we need markets to function properly again, funding jobs and investments. Only in this way will confidence be restored, and confidence is key. Putting ethics back in the financial system is also a condition for the confidence we need in open economies.

In the European Union, the frontier is already moving: proposals on capital adequacy and credit-rating agencies have been presented by the Commission and are currently being discussed also by this Parliament. Over the coming weeks the Commission will table proposals on hedge funds, private equity and executive pay and, in time for the June European Council, the Commission will put forward a package for a new European supervisory system. The European Union is moving: we will say it loud and clear in London so that we can work together with our partners, namely our American friends.

We want the others to move along with us; we need global rules for a global economy. Take the case of impaired assets: clearly, without cleaning the banking system, credit will not flow back to the economy. The European Union now has a framework, provided by the Commission, to address this issue. G20 Finance Ministers discussed at length the treatment of impaired assets less than two weeks ago. The set of principles they adopted largely reflects European Union views on the matter. So, once again, we had the unique experience of setting supranational and transnational rules and show that the European Union is better prepared than anyone not to impose but to propose the rules for this globalisation.

In London, the European Union must also give a strong message rejecting protectionism. We will defend our internal market at home, keeping it open, and we will work for open, global markets too. We must not give up on Doha and must reach an agreement soon. Nor can we forget the countries most in need: we must stick to our commitments on the Millennium Development Goals.

We must always bear in mind that the actions we take are only the means to an end, improving people's well-being. These are measures not for the financial system – not for that particular segment of the economy – but for people. At the current juncture, this means we must cushion and mitigate the effects on employment of the economic downturn in the European Union. Indeed, employment is our first concern now. We will hold an Employment Summit on 7 May to mobilise ideas and actions in favour of keeping people in jobs and retraining them for the jobs of the future. We are working with social partners, because we believe that is also part of our model in Europe – the idea to work together with our social partners – and we believe that in this way we can help our workers to prepare them for the jobs of the future sustainable and low carbon economy that we want Europe to lead.

The meeting of the G20 in London will, therefore, have to deliver in quite a number of areas – a very ambitious programme. I am sure that, under the leadership of Gordon Brown and with a strong European contribution, the G20 will deliver and will build a global consensus on the international economy.

(Applause)

**Joseph Daul**, on behalf of the PPE-DE Group. – (FR) Mr President, ladies and gentlemen, I should like to welcome the British Prime Minister, Gordon Brown, who will host a G20 summit in a few days' time at which Europe is awaited as rarely before.

The first lesson to be learned from the crisis is that economies are now so interconnected that national solutions have become unthinkable. The difficulties which, it must be said, are coming at us mainly from the United States as the result of a lack of regulation, have gained ground and Europe, Mr Brown, needs to understand that it will only be strong if it speaks with one voice to defend its common interests. It even needs to be strong enough to drag all the regional economies onto the path towards new growth. I cannot forget Mr Manuel Barroso and the fact that it is under the impetus of Europe – and Nicolas Sarkozy in particular – that the G20 has been called upon to help restore order to a financial system which has lost the plot.

Solidarity and responsibility are Europe's two major principles. Collectively, we are ready to come to the aid of and support those of us who are experiencing the most difficulties. Even though I wish your country the best, Prime Minister, the most recent IMF figures on it are, unfortunately, very worrying for you, as they are in other countries in the European Union, especially Hungary.

I worked as a voluntary fireman for several years and I know that when a house is on fire, it does not take long before the neighbour's house is also at danger from the flames.

My fellow Members, your friends, on the left of the House will doubtless call, when I have finished, for a more social Europe and more protection. Before they do so, I would reply that these simplistic slogans which involve spending money which we do not have are precisely those which resulted in the failure of the policies of the 1980s in many European countries.

(Applause)

Not yours of course, Prime Minister; I acknowledge that, in the 1980s, it was not your government. The same Members will not fail to repeat that the current crisis has been born of globalisation and the market economy. I would reply to them in advance that, thanks to this market economy, the average income of our fellow citizens has risen by 40% over the last 40 years. I would also remind them that, while people in countries outside the market economy, under the shelter of the Berlin Wall, met their well-documented fate, globalisation and the market economy enabled Western Europeans to prosper at an average rate of 2% growth per annum. All of which goes to show that the defenders of social Europe are not necessarily who we think they are.

Prime Minister, European integration has always been a question of solidarity between the citizens of its countries and, in the difficult period we are currently experiencing, the duty of Europe, more than ever, is to prove this once again through its deeds. Supporting the banks was necessary because it prevented those who trusted in them from losing everything, and that is something, but it is not enough. Our first concern must be to stand by those who lose their jobs and families who have trouble making ends meet. It is only by returning to growth, it is only by restoring an economic and fiscal environment conducive to entrepreneurs that we shall experience a return to confidence and jobs. The EUR 400 billion European aid programme will help us overcome the crisis. It will allow new investments to be generated, it will strengthen demand and, by the same token, it will support growth and create jobs.

The internal European market may act as an important lever and, by contrast, any protectionist measure will only exacerbate things. Mr Brown, it is not enough to condemn protectionism abroad. We must also avoid sanctioning slogans like 'British jobs for British workers' at home, because that will get us caught up in very dangerous economic nationalism. However, I trust the Commission, the guardian of the Treaties, to ensure that the law is respected and that our enterprises can trade on a free and fair market. Our priority is to set up a new global financial architecture with more stability, more supervision and, above all, more transparency. We need to speed up the 'Basel II' reforms and bring speculative funds under strict control.

Prime Minister, I appreciate that you have come here not to impose ideas but to listen to the citizens' expectations. Do not forget, Prime Minister, especially next week, that you are a true European.

(Applause)

**Martin Schulz**, *on behalf of the PSE Group*. – Mr President, what a courageous speech, and what a brilliant description of the necessities of our times. That is exactly the way we have to go, and we the European Socialists and Social Democrats – and I am speaking not only on behalf of the members of my group, but on behalf of Mr Rasmussen, the leader of our Social Democratic movement in Europe – can subscribe to every word of your speech, Prime Minister. It is an excellent direction.

(Applause)

(FR) As regards the comments by my fellow Member, Mr Daul, the least that one can expect from the chairman of a parliamentary group in the European Parliament is that he is capable of distinguishing between protectionism and social protection. There is a huge difference.

*(Applause)*

As for your grand President, Mr Sarkozy, he may know something about protectionism, but there is one thing he certainly knows nothing about and that is social protection.

(DE) You are right, Mr President, it is indeed a great moment. On the eve of the G20 Summit, Gordon Brown has come here to speak in front of the European Parliament. This visit demonstrates that the forum for the European peoples, this Parliament, is exactly the right place to present the outlook which you, Prime Minister, have described to us today.

For this reason, your visit is more than simply a visit to the European Parliament. It points the way ahead, because it shows that you, as the Prime Minister of your country and as the host of the G20 Summit, give the European Parliament the importance it deserves. By this I mean that you regard it as the place where multinational and international policy must be discussed within the framework of the continental relationships of Europe and of Europe's relationships with other parts of the world. Thank you very much for this, Mr Brown. You have done the right thing.

*(Applause)*

Prime Minister, you mentioned three fundamental principles which I would like to take up, because they are also fundamental principles of our movement. It is not greed, individual greed, which was the decisive factor. This has been a permanent feature of human history and will always exist. This is about a system in which this individual greed can spread and become destructive. It is this system which is wrong. This system of unrestrained market radicalism and liberalism has failed and has become bankrupt. This is why it must be changed.

Therefore, you are right in saying that we need European and worldwide regulation for private equity, hedge funds and offshore centres, which must be closed, and we need rules for credit-rating agencies. In addition, short selling must be banned. This represents a whole raft of measures which we, under the leadership of Mr Rasmussen and in the face of opposition from the other groups, have been demanding for a long time. This is precisely what must be done.

*(Applause from the left)*

I know, fellow Members on the right, that it is difficult for you to accept that a policy which you have been promoting for 10 years has proved to be the wrong one. You are having difficulties in keeping up with what is happening. I can understand that, but it does not change the fact that you were always opposed to the policy.

You are right when you state that the nuclear arms race must be stopped. You are right in saying that cooperation with the United States of America will allow us to enter a new age of nuclear disarmament. You are also right that we need solidarity between people in society, but also solidarity between states. Therefore, I will be signing on behalf of my group to ensure that the new states in this union can rely on the union. This is indeed the right road to take, Prime Minister.

I would like to make one final point. Please go to the G20 with the message that anyone who attempts, in the current economic crisis, to play off environmental policy against economic policy is making a disastrous mistake. The economic crisis will pass, but climate change will remain. This is why we need both things. Above all we need an effective struggle for a better climate policy. This struggle will also provide opportunities for creating many new jobs. Combining these two things is exactly the right approach.

*(Applause)*

Gordon Brown has given a great speech. The more that those on the right oppose what has been said, the more it becomes clear from your speech, Mr Brown, that we are on the right path. We are pleased that a true social democratic head of government has spoken here today.

*(Applause)*

**Graham Watson**, *on behalf of the ALDE Group*. – Mr President, I welcome the Prime Minister on this, the first leg, of the 'Brown G20 World Tour'. You have sketched a big agenda for the G20, Prime Minister, from combating world poverty to nuclear disarmament, to peace in the Middle East, and I wish you success. My group congratulates you and your colleagues in the European Council for mapping out the contours of a common approach, albeit on a more limited agenda, to the summit next week.

Opportunities to work with the Obama Administration should not be spoilt by a transatlantic war of words. I know we share that view, but America retains its affection for skeletal regulation, and the reality of this recession shows that those who wilfully ignored bad practice are now suffering most. We need a European financial services authority. By all means press others to support the same standards, but caution from them cannot condone inaction from us. As you say, we need to lock honesty, transparency and the rule of law into the financial system. Reform of global financial institutions is necessary too, to stop current account surpluses and excess liquidity fuelling global boom and bust.

We need the IMF to fill that role. Can it assemble more assets with increased access to crisis funds? Should it become a real asset manager for parts of the global savings pool, second-guessing speculators, preventing panic, stabilising markets? How can we reform its decision-making structures to reflect the demand for more democratic oversight and the power of emerging economies?

It is crucial too, despite the pain of recession, to confront the challenge of climate change and the problems posed by poverty.

Prime Minister, you spoke about the need for action, so will you give the IMF and the World Bank an explicit mandate to tackle the drought, flooding and disease that accompany global warming in the developing world? Will you make sure they grant, lend and plan not just for market success, but to achieve social progress and green goals too? We need a new and sustainable economy enshrined in a global social contract. The era of easy money is past. For future growth, making a living must not equate to making a killing.

But to achieve these things Europe must marshal consensus, and the UK must be part of it. Prime Minister, you and I carry different colours from the political pallet, but as fellows Scots with a burning belief in progressive politics, I know that we both understand Burns when he wrote: 'Oh would some Power the gift to give us, to see ourselves as others see us'. And those parties pushing themselves and Britain to the sidelines of Europe will cost their country dear.

So let Britain be a positive partner, cast in the European mould. Prime Minister, I expect the single currency to emerge stronger from this crisis. In the chill winds of recession, investors have sheltered under the euro's wing. You designed five byzantine tests that prevented British entry these past 10 years. Will you now work to bring the United Kingdom into the euro in the post-recession period? The UK should not stand back to the wall while others take to the floor. This is a dance that Britain should join.

*(Loud applause)*

**Brian Crowley**, *on behalf of the UEN Group*. – Mr President, rather than being hoisted on the petard of socialism, liberalism, conservatism or any other of the ideological 'isms' which are bandied about this House on a regular basis, I want first of all to congratulate the Prime Minister on his willingness to come here to present a case, to defend it strongly, but most importantly of all to offer a bridge between Europe and America with regard to how we can solve some of the problems and difficulties that are laid before us, particularly because we now stand at a time of a global crisis. But that global crisis should not be allowed to forget the successes of the past.

Over the last 15 years we have had unprecedented economic growth, unprecedented employment growth, unprecedented wealth creation and unprecedented action with regard to helping and assisting the developing world. These new plans that we come forward with should not be about throwing out the baby with the bath water. It should be about building on the successes that were there, recognising the failures that had been made and ensuring that we can both chart an ambitious plan forward for a global recovery predicated on common goals of common values with a common course. That common course must at all times be based on the necessity of delivering better things for people, not better things for markets or better things for the economy.

Prime Minister, you quoted Michelangelo in your speech earlier on, and there is another good quote from an Irish poet, Oscar Wilde, when he said: 'We are all lying in the gutter, but some of us are looking at the stars'. And we can reach the stars now! This new crisis presents an opportunity. Barack Obama has rightly seen an opportunity to bring America back onto the world stage. The reality is that, compared with the

Marshall Plan after the Second World War, there is no big beast on the world stage today that can rescue the rest of the world economy. We are interdependent on each other in the challenges that attack us, but also in the solutions which we can arrive at.

I think that, when we most need to chart this new way forward, of course we can speak about the carbon-neutral economy, the jobs created from that – this is very important – as well as retraining and reskilling, which are vitally important. Social protection for those most in need is a necessity for development, but let us not be hung up on saying how much money a banker will get is the determining factor of what kind of a solution we come up with. Better regulation, better supervision – but also better enforcement of those regulations – because, in a lot of cases with regard to the banking crisis, it was not about a lack of regulation but rather a lack of supervision and enforcement of the rules.

I think one of the key elements that we now have to look for and chart out for the future is instilling not just the certainty with regard to how the markets will operate, the kind of shelters that would be got rid of, the elimination of tax havens and shadow banking, but let us also give some confidence back to people. Let us show them that there is a way out of this crisis, that there is light at the end of the tunnel, but most importantly of all, let us show them that they are part of the solution.

In the Irish language we have a saying called *meitheal*; that is, people coming together, operating together to save the harvest. Now is the time for us all to come together, not just to save this harvest, but to save the planet.

**Monica Frassoni**, *on behalf of the Verts/ALE Group*. – Mr President, I am glad to see the Prime Minister here. In view of the little consideration with which he viewed the EU and the European Parliament for a long time, I take his presence here as a good sign that people can change.

I am also confident that, perhaps, after today, Prime Minister, you will announce the end of a couple of opt-outs or even, as my friend Graham Watson said, announce the entry of the UK in the euro.

However, I have to remind you that on most of the issues you mentioned – democratic reforms, social issues, the Working Time Directive, taxes – your Government was on the wrong side.

(IT) Mr President, ladies and gentlemen, Prime Minister, you, together with a fair number of your colleagues and our own President Barroso, are responsible for the fact that the European Union does not have any financial regulation instruments or fiscal and budgetary policies that today would be so valuable in allowing us to tackle the crisis. It is good to remember that because, when the aim is to propose credible solutions, it is good manners to admit that mistakes were initially made.

So let us look at the credibility of this crusade against tax havens. They seem a very easy target – everyone hates them – but the reality is slightly different. There is even a suspicion that we talk about them so much because we cannot agree on much else to talk about.

Prime Minister, we believe that it is important to stop thinking that it is impossible to limit free movement of capital, and that the millions of euro squandered on speculation cannot be put to good use. We must stop, not regulate, the actions of speculative funds. We must bring the banks back to a point where they do the job for which they were invented in Tuscany many centuries ago: financing the real economy.

Stepping up market surveillance is not enough; we must cut the profits of those who speculate. It should be pointed out that the mafia today has EUR 120 billion stashed away in tax havens. We must aim decisively for double declarations and double transparency: those who deposit money in another country must declare it. Banks which receive deposits must declare them. There is no middle ground. The rest is just idle talk, and I fear that idle talk will bury us if the G20 does not produce a result that is more powerful than the babble we hear around us.

Prime Minister, just like your predecessor, here you have used strong and emotive words in the language of Shakespeare, but, again like him, you have few concrete proposals. You spoke of the ecological rehabilitation of the environment. Yet under your government's plan, only 7% of investment is going towards environmental projects, while South Korea and China and even the United States are setting a pace that our fine words will be unable to keep up with.

You spoke of Copenhagen, but again, the European Council did not reach an agreement on a climate-change fund for developing countries. You know only too well, however, that without a substantial financial commitment, Copenhagen is destined to fail and, with it, our ambitions to govern climate change, too.



Nice speech, Mr Brown, but what are you ready to do, really?

(Applause)

**Francis Wurtz**, on behalf of the GUE/NGL Group. – (FR) Mr President, Mr Barrot, Mr Brown, as you reminded us, 20 years ago the Berlin Wall fell, putting an end once and for all to the model which it embodied and which, in any case, had already been dying for some time.

In these circumstances the temptation to give unbridled capitalism full rein was too great. The European Union has followed others in succumbing to this temptation. The fathers of this new model or their successors have today been overtaken by their now unmanageable creature. In order to get through what is also an existential crisis, we first have to dare to question. I do not get the impression that we are on such a path.

At the last European Council, the President of the Commission said that we were equal to the situation. The President-in-Office of the Council said that he was highly satisfied with the results obtained, while the first prize went, as it often does, to Mr Berlusconi, for whom the European Union is a healthy body hit by a virus. Time will tell.

So far, the rare voices of self-criticism have come from economic circles themselves, such as that of the chairman of Morgan Stanley in Asia, who said that we are all responsible: the financial institutions, the regulators, the rating agencies, the boards of directors, the politicians and the central banks, and that we need to accept all this collectively. That is what will change us.

I think, Prime Minister, that you are the first European political leader to have taken your turn in sketching a *mea culpa*. It related to the attitude which you adopted 10 years ago following the Asian crisis: an attitude which you today consider was insufficiently firm towards those who thought that these were passing problems.

The old idea that markets were efficient and could regulate themselves is over, you said. I must say that I prefer this gesture of humility to the less-than-adequate speech given in this very House by your predecessor in a previous life.

However, I am convinced that the problem lies elsewhere. As stated in the recent report by the secretariat of the United Nations Conference on Trade and Development, we need to shut down the big casino. The doctrine applied over the last 20 years has failed spectacularly.

That is why those who pompously announced the G20 as a new Bretton Woods at which capitalism would be recast or even moralised have deceived our fellow citizens. There will be no 'eve of the revolution' in London on 2 April.

Unit, a large trade union in your country has, I think, found a very simple and accurate phrase to say where the shoe pinches. Its slogan for the march organised next Saturday in the British capital will be, and I quote, 'Put people first'. It may seem obvious, but it verges on a Copernican Revolution in comparison with what has become the dominant system.

This speaks volumes of the nature of the challenges of our times.

(Applause)

**Nigel Farage**, on behalf of the IND/DEM Group. – Mr President, the Prime Minister has received some criticism this afternoon for his comment 'British jobs for British workers', but you can brush that aside, because from the moment he said it I do not think anybody seriously thought that he would ever, as a British Prime Minister, put the interests of British workers above that of his European dream. My goodness me, you showed that this afternoon, Prime Minister.

It is just a pity that, apart from UKIP, virtually nobody seems to have bothered to turn up to listen to you. You are very popular here. You are very popular indeed because within a few days of the Irish saying 'no' to the Lisbon Treaty, you had rammed that Treaty through the British Parliament, breaking a specific manifesto pledge that you would give the British people a referendum on the Constitutional Treaty.

Shame on you, Prime Minister, for doing that. You have devalued democracy in our country; you have devalued the trust that voters put in you as a British Prime Minister. Of course, we know the reason why. The reason why is that we would have voted 'no'. You said in your speech that none but those on the extremes oppose European Union. Well, that may be right amongst professional career politicians, but a clear majority

of the British people want us to have friendship and free trade with the European Union, but do not want to be members of this political Union.

You cannot continue to build this European Union against public opinion. If you do it against the will of the people, you are storing up enormous social and political problems for the future. Please let the peoples of Europe decide their destiny. Do not have it done in parliaments like this and parliaments like Westminster. It will not work!

As far as the economy is concerned, you have told us that somehow you are the economic guru; you are the man who can save the world. Well, I remember very well your first big act as Chancellor when you sold 400 metric tonnes of gold on the world's exchanges at USD 275 an ounce. At today's valuation, that would be USD 10 billion higher. It was not just the fact that you got it wrong, because we can all get it wrong. It was the fact that you announced in advance how much you were going to sell and on what day you were going to sell it. It was an error so basic that the average A-level economics student – even in these educationally devalued times – would not have done this. To add to that, you have destroyed our private pension system, and you took away from the Bank of England its ability to regulate the banks and gave it to the 'tick-box' bureaucrats of the FSA in Canary Wharf.

We have not heard an apology. Your Government has apologised for the Amritsar massacre; you have apologised for slavery; you have apologised for virtually everything. Will you please apologise for what you did as British Chancellor, and then perhaps we might just listen to you?

**Daniel Hannan (NI).** - Mr President, I see that the Prime Minister has already mastered the essential craft of the European politician; namely the ability to say one thing in this Chamber and a very different thing to your home electorate.

Prime Minister, you have spoken here about free trade, and 'amen' to that. Who would have guessed listening to you just now that you were the author of the phrase 'British jobs for British workers', and that you have subsidised – where you have not nationalised outright – swathes of our economy, including the car industry and many of the banks?

Perhaps you would have more moral authority in this House if your actions matched your words. Perhaps you would have more legitimacy in the councils of the world if the United Kingdom were not going into this recession in the worst condition of any G20 country.

The truth is that you have run out of our money. The country as a whole is now in negative equity. Every British child is born owing around GBP 20 000. Servicing the interest on that debt is going to cost more than educating the child.

Once again today you try to spread the blame around. You spoke about an international recession, international crisis. It is true that we are all sailing together into the squalls, but not every vessel in the convoy is in the same dilapidated condition. Other ships used the good years to caulk their hulls and clear their rigging – in other words, to pay off debt – but you used the good years to raise borrowing yet further. As a consequence, under your captaincy, our hull is pressed deep into the waterline under the accumulated weight of your debt.

We are now running a deficit that touches 10% of GDP – an almost unbelievable figure. More than Pakistan and more than Hungary – countries which have already called in the IMF.

The issue is not that you are not apologising. Like everyone else, I have long accepted that you are pathologically incapable of accepting responsibility for these things. It is that you are carrying on wilfully, worsening our situation, wantonly spending what little we have left.

In the last 12 months, 100 000 private-sector jobs have been lost, and yet you have created 30 000 public-sector jobs. Prime Minister, you cannot carry on for ever squeezing the productive bit of the economy in order to fund an unprecedented engorgement of the unproductive bit. You cannot spend your way out of recession or borrow your way out of debt, and when you repeat in that wooden and perfunctory way that our situation is better than others, that we are well placed to weather the storm, I have to say you sound like a Brezhnev-era apparatchik giving the party line.

You know, and we know, and you know that we know it is nonsense. Everyone knows that Britain is worse off than any other country as we go into these hard times. The IMF has said so. The European Commission

has said so. The markets have said so, which is why our currency has devalued by 30%, and soon the voters, too, will get their chance to say so.

They can see what the markets have already seen – that you are the devalued Prime Minister of a devalued Government.

**Gordon Brown**, *Prime Minister of the United Kingdom of Great Britain and Northern Ireland*. – Mr President, it is a real tribute to this European Parliament that you can have so many diverse views expressed in such a short period of time by so many people, and I thank you for your views.

I hope, however, that even after the party politics has subsided, we will remember three things. First of all, that it is important that the world comes together to deal with this crisis. For us to sit apart, to be aloof, not to cooperate with other countries, is a recipe for failure and for an inability to solve a problem that is actually a global banking failure that has spread across the industrial economy. If we do not understand the problem, we will not be able to understand the solution.

We had a power cut right across the banking system right across the world. We found that banks that we thought were independent were completely entangled with other banks in different countries, and we have to deal with that problem. Whatever the party political lines that people want to adopt on this, this is the truth: we have to deal with the problem of global banking restructuring.

Europe did lead the way. We recapitalised our banks. Other countries have now done that. More than a trillion dollars has been spent on recapitalising banks across the world. We have now created insurance schemes and other schemes to deal with the impaired assets. This has to be done and it has to be done by global cooperation.

The second thing we have to realise, despite all the different political views in this Parliament, is that global cooperation – not just in banking institutions, but global cooperation in other areas, in fiscal and monetary policy and in trade – has to be a very important part of how we approach the future. Like it or like it not, the world is changing incredibly fast. More manufacturing is being done in Asia than in Europe. There is trade round the world at a speed that we have never seen before until this crisis, and we have to deal with that by creating a global trading environment which is free, but also fair. Whatever the views in this Parliament, I think people have to face up to that as well.

The third thing that comes out of this discussion for me is that to have global solutions to global problems we will also need not just our European institutions to be strong, but our global institutions to be strong. I was asked by people who were replying to my speech what we could do to reform these global institutions. The IMF, the World Bank, and the World Trade Organisation are all organisations built in the 1940s to deal with the problems of the 1940s. We are in the year 2009. We had national capital markets. We now have global capital markets. We had domestic competition. We now have global competition. The world has changed fundamentally, and we need institutions that reflect a global economy in the way they operate and deal with the problems we have.

I was asked whether I would ensure, or try to ensure, that the International Monetary Fund had the resources necessary to deal with the problems of economies that could not at the moment sustain themselves when there was a flight of capital. The answer is: we must do that. I was asked whether the World Bank and other international institutions can help countries where there is substantial poverty being created as a result of the crisis. We have got to do that. I believe that the lesson of this crisis is that we are now in a global economy. There are global problems that need global solutions. That will require us to shape global institutions, and my message to this Parliament is very clear. Europe has led the way in so many other areas: it is now time to lead the way in creating the global institutions that will deal with the global problems we have, and provide global solutions.

This is a test of how we, having over the last 60 years created a Europe which has social protection as well as economic progress, can help shape a world where we have economic progress, environmental care and social justice at the same time. I believe that, whatever the different views expressed in this Parliament, there is a will across the peoples of this world to do that, and we, Europe, can play a major role in it.

*(Loud applause)*

**President**. – Colleagues, the lively debate today has shown the importance that we in the European Parliament attach to ensuring a successful outcome to the G20 Summit. I know that the Prime Minister has to leave shortly to go to New York for further preparations for next week's summit.

Prime Minister, we are very happy that you were able to join us this afternoon, and wish you every success in the important work you are engaged in. Welcoming a British Prime Minister to the European Parliament is always a very exciting occasion. Today's excellent debate has been no exception. Prime Minister, thank you very much indeed.

(Applause)

The debate is closed.

#### **Written statements (Rule 142)**

**Ilda Figueiredo (GUE/NGL), in writing. – (PT)** Statements are being made that would have been unimaginable a year ago. However, at the same time, differences of opinion still exist between the main leaders. This is evidence, on the one hand, of an attempt to avoid responsibility for the serious consequences of the neoliberal policies and, on the other hand, of dust being kicked up to obscure the view of the paths being taken, which are essentially the same as before, with a few very minor alterations. This means that the principle of 'things have to change so that everything can stay the same', which Luchino Visconti dealt with so well in his film 'The Leopard', is once again being advocated.

Accordingly, while the British Prime Minister, Gordon Brown, has asserted that 'the market is there to serve us', adding that 'we are not here to serve the market', but without introducing basic measures to effectively control the market and limiting himself to insisting on coordination and regulation measures for tax havens, the President of the European Commission, Mr Barroso, has insisted on the liberalisation of international trade and the Doha Agenda.

Nothing has been said about measures to end the privatisation of public services and strategic sectors of our economies. Nothing has been said about doing away with the liberal Lisbon Strategy or about defending jobs with rights, by putting an end to attempts to change labour legislation for the worse.

#### **IN THE CHAIR: MR VIDAL-QUADRAS**

*Vice-President*

### **8. Approval of the Minutes of the previous sitting: see Minutes**

### **9. EIB and EBRD annual reports for 2007 - Community guarantee to the European Investment Bank (debate)**

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

- A6-0135/2009 by Mr Mitchell, on behalf of the Committee on Economic and Monetary Affairs, on 2007 Annual Reports of the European Investment Bank and the European Bank for Reconstruction and Development (2008/2155(INI)); and

- A6-0109/2009 by Mr Seppänen, on behalf of the Committee on Budgets, on the proposal for a decision of the European Parliament and of the Council granting a Community guarantee to the European Investment Bank against losses under loans and loan guarantees for projects outside the Community (COM(2008)0910 - C6-0025/2009 - 2008/0268(COD)).

**Esko Seppänen, rapporteur.** – (FI) Mr President, the European Union can provide developing countries and other countries not in the EU with financial assistance in the form of credit at low interest rates from the European Investment Bank. The EU guarantees the loans in such a way that the lender does not incur any losses and it may finance its own borrowing further with market money.

When the EU's guarantees in respect of the European Investment Bank were renewed and extended to cover more countries than before, it was the European Parliament's view that the decisions should come under the codecision procedure and, furthermore, fall within the competence of the European Parliament, and not just that of the Council. The European Court of Justice agreed and, accordingly, the Council's unilateral decision was remitted back to the codecision procedure. The new decision is to be taken by 6 November this year.

Now before us is the Commission's proposal for a decision, which may be regarded as temporary, and regarding which the Commission will be allowed up to the end of April next year to prepare a new, general

proposal. Parliament has left its fingerprints on the 'temporary' decision, and the Council has accepted that. It is a positive sign that, after some tricky negotiations, there is now consensus between the Council and Parliament and that the decision can be taken today at first reading, without the need for any further deliberation.

In this connection I wish to thank the representatives of the Czech Presidency, who have worked so hard in the Council to bring about consensus. But for the active participation of the Czech Republic, this decision would never have come into being.

All the same, I do have to censure all those who stirred things up at the European Investment Bank. The European Investment Bank is accustomed to receiving the support of the European Parliament in its various affairs, but its representatives this time have failed to realise that the codecision procedure had been brought into play and that Parliament's competence in this matter had been extended significantly. Parliament wanted to exercise its powers fully, which was not possible at the earlier consultation procedures. It was, I think, completely inappropriate that the European Investment Bank, which is one of the institutions of the EU, should not have shown some respect for Parliament's established practices, but instead tried to influence the decision from the political periphery.

It is, nevertheless, a good end result. The European Investment Bank mainly got what it wanted. It earned Parliament's sympathy in a decision-making procedure in which Parliament formed its own opinion. This decision now has the vast consensus of the political groups behind it, whereas it would not have if the European Investment Bank's approach had been adopted. I would like to thank the Presidency of the Council of the European Union for achieving this compromise. I would also like to thank the Committee on Budgets and its shadow rapporteurs for its consensus in order to reach a decision at first reading. I am sure this will be a good decision for all concerned.

**Gay Mitchell, rapporteur.** – Mr President, can I say at the outset that I really do strongly object to the way Members of Parliament have their time shortened here. Question Time is not being heard this week, either by the Council or the Commission. People can come in here and speak at all sorts of great length. Members of Parliament introducing reports on behalf of Parliament are shortened without notice. This is an outrageous imposition on MEPs.

As rapporteur, I would first like to welcome President Maystadt and President Mirow to the Chamber on this first time that Parliament has drafted a report on the activities of the European Investment Bank (EIB) and the European Bank for Reconstruction and Development (EBRD) concurrently. There can be no doubting the fact that the current financial crisis has highlighted the importance of the work of the EIB and the EBRD. Both banks are to be praised for their efforts in tackling the effects of the economic crisis. They are both facing up to the challenges presented, and I commend them for this. It is important that we consider both banks at the same time, so as to ensure better cooperation between them and the elimination of overlap.

Both banks should ensure that there is maximum synergy so as to prepare for and assist economic recovery. The decision to increase lending to small and medium-sized enterprises by 50% is particularly welcome. The initially planned EUR 5 billion per year for SME lending has been increased to EUR 7.5 billion per year over the four year period 2008-2011.

An example of new funding is the EUR 310 million approved recently by the EIB for investment in SMEs in Ireland. The EIB has made it clear that more can be made available, and at very competitive interest rates, to Irish SMEs and to other SMEs. In my view, Europe needs to think in terms of a Marshall Aid-type plan, which worked so well after the Second World War.

If the EIB could be persuaded to, say, borrow from China to invest in the Bank, it could use such resources to help kick-start the economic recovery and bring this about sooner. This borrowing could be repaid by committing part of the extra customs duties that would be collected by the EU from renewed external trade and some of the new VAT receipts to this objective. This would have the added benefit of taking the pressure off EU Member States and their individual requirements to keep within the Stability and Growth Pact in terms of additional borrowing.

In 2007, EU inward investment in China was EUR 7.16 billion, while China's inward investment in the EU was only EUR 0.6 billion. Both the EU and China would benefit from increased trade. I am conscious of the visit to China by the President of the Commission, the Committee on Economic and Monetary Affairs and the President of the European Central Bank before Christmas. The recent EU-China follow-up summit is a welcome sign of hope.

We got into a mess because we were not focusing on the issues. It is time to start focusing on recovery, including making the EU more competitive, as proposed by the Lisbon Treaty. I am very pleased about the proposals which are being made in the context of the energy crisis and climate control and, in particular, the role of the EIB in this. I am also pleased that the recent decision of the Court on codecision has been announced and that Parliament will now have an enhanced role in relation to these two banks.

I have proposed in my report – and it has been endorsed by the committee and I am sure will be endorsed by Parliament – that the Commission and the two banks should come before the Committee on Economic and Monetary Affairs on a regular basis to account for the coordination of the roles, and for the implementation of the policies, of both banks. I think this will be a very useful development. What we need is more transparency and more accountability. We heard Prime Minister Brown talking about this in terms of the international financial crisis. We should be thinking about it in terms of accountability to this House for our own financial institutions and those that are part-funded by financial institutions.

I welcome the general thrust of the intent of the banks, particularly in relation to climate control and energy, and I hope the House will support the main thrust of the report which I have brought forward.

**Joaquín Almunia**, *Member of the Commission*. – (ES) Mr President, this afternoon, on behalf of the Commission, I want to welcome the President of the European Investment Bank, Mr Maystadt, and the President of the European Bank for Reconstruction and Development, Mr Mirow. Before this House, I want to thank them both, and also their institutions, for their extremely positive cooperation with the Commission, particularly during this difficult struggle with the economic crisis.

Mr Seppänen, thank you very much for your words and for your efforts as rapporteur on a subject which has been difficult, but which has had a happy outcome, as you yourself have said; namely, the agreement at first reading to solve the legal problems that had arisen surrounding the external mandate of the European Investment Bank or EIB.

This external mandate allows us, through the actions of the EIB and in coordination with European policies, to take very firm and effective action on policies and areas of special interest to the European Union and to all the European institutions, including this Parliament.

The Commission expresses its satisfaction that, from now on, Parliament will be directly involved in discussions on this external mandate. However, we must also warmly thank both Parliament and the Council for the flexibility that they have shown in reaching agreement quickly enough to avoid creating or increasing uncertainty, before the end of this year, over the possibility of continuing to use the resources and tools of this external mandate.

For our part, the next Commission will, at the beginning of 2010, present the corresponding legal text to this Parliament and the Council. We hope that once again at first reading, we will be able to ensure legal stability for an external mandate that, as I said before, allows European policies of interest to us all to be developed.

I also want to congratulate Mr Mitchell and thank him for his report. This is the first time that a report has referred not only to the European Investment Bank, but also to the European Bank for Reconstruction and Development, or EBRD. We feel it is right to deal with these two financial institutions together, particularly at the current time when the effectiveness of their actions must serve to reinforce our policies on the economic crisis, and when cooperation between these two institutions is especially important.

We are asking both banks to make a huge effort. In the recovery plan adopted at the end of last year, we asked both institutions to considerably increase their lending capacity at a time when they too are finding it difficult to raise finance from the markets.

They are responding to this call for increased activity by acting in those areas which we feel are a priority, as Mr Mitchell has said, such as small and medium-sized enterprises, the energy efficiency sector and other areas as well. In particular, we are extremely satisfied with the agreement reached by both banks with the World Bank, in a joint initiative to strengthen their financial instruments and improve their efficiency in the use of their lending instruments in the countries of Central and Eastern Europe, which are experiencing an especially difficult situation.

We hope that, between now and next year, the groundwork and discussions of the group of experts set up by the Council and the Commission, in agreement with Mr Maystadt, to consider the future of the EIB's external mandate, and also the strategic review of the EBRD, which will also take place at the beginning of

the next term of this Parliament and the next Commission, will allow us, at a calmer time than currently in terms of the economic situation, to continue using their know-how, lending facilities, financial resources, human resources and experience to assist the policies that we all agree must be the ones to guide the future direction of the European Union in the next decade.

**Gabriele Stauner**, *draftsman of the opinion of the Committee on Budgetary Control*. – (DE) Mr President, ladies and gentlemen, I would like to summarise the opinion of the Committee on Budgetary Control on the annual report of the European Investment Bank.

The Committee on Budgetary Control calls on the EIB to play a more active role and to introduce a more active policy to combat fraud, involving zero tolerance for fraud, corruption, money laundering and terrorism financing. Independently of any efforts that the EIB has made in the past, which deserve our recognition, it must now pursue a policy which is not only recorded on paper, but also involves concrete measures and transparency criteria for the purposes of traceability. Therefore, companies which have been shown to be corrupt should not be allowed to take out loans and informers should receive effective protection. The investigative and preventative function of the EIB must play a more prominent role than it has done in the past.

In particular, in consideration of the current financial and economic crisis, we want the same supervisory regulations to apply to the EIB as to all other commercial banks, because without real supervisory control, the EIB cannot be a credible player on the credit market. We also need independent monitoring structures which will ensure the quality of the EIB's results and its adherence to the code of conduct.

Our main concern is that Parliament should in future produce a separate report on the work of the EIB. In our opinion a report of this kind would be both possible and appropriate, because the Member States are the only shareholders of the EIB, which means that it has a direct link with, and therefore a direct budgetary responsibility to, Parliament. Thank you very much.

**Zsolt László Becsey**, *on behalf of the PPE-DE Group*. – (HU) First of all, I would like to congratulate the two rapporteurs on the report, and I am also pleased that this question, the problems concerning the two financial institutions, came before us at the same time; indeed, I think that in the future we will have to examine these two institutions at greater length.

The first question, sticking to keywords only, is that of duplication. Certainly we need to work out some sort of long-term division of labour between the two institutions and to make closer cooperation possible. I saw that the rapporteur assigned major projects to the European Investment Bank, leaving activities relating to smaller enterprises to the European Bank for Reconstruction and Development. In any case, I believe that some sort of advantageous specialisation is necessary.

I am pleased that the European Parliament can at last enter Mecca and debate the kinds of future orientations that should be adopted in this regard. I am cautious with regard to this question of turning outward and inward. Twelve years ago in Hungary we believed that we could forget about the IMF once and for all, and now here they are at our gates, and we are running to them for credit.

A few years ago we thought that the EBRD would not play a major role in those Member States, for instance, which are outside the euro area, and that the EBRD would instead move eastwards; now we are pleased that along with the World Bank, these two institutions have made a large Central European fund possible.

I would like to draw your attention to the fact that the liquidity and financing of small and medium-sized enterprises is, to my mind – as Chairman of the relevant working group in my political group – absolutely essential; therefore, I would ask that the options that have recently been decided should enter into force as soon as possible, so that together with the commercial banks we may effectively provide the possibility of liquidity primarily to Central European small and medium-sized enterprises.

**Udo Bullmann**, *on behalf of the PSE Group*. – (DE) Mr President, ladies and gentlemen, we are discussing the current economic crisis in terms of a problem of imbalance, with a deregulated market on the one hand and a lack of public interest on the other hand. We have not always succeeded in arousing public interest in the financial markets and in the real economic processes. This is why it is so important today that we are discussing the public investment banks, which are at exactly this interface, which allow the market to function and which have a public mandate to represent our future interests. Therefore, my prediction for the presidents of these banks who are here with us today is that we will need them even more in the future than we do at the moment and have done in the past.

Mr Mitchell's report has two areas of emphasis. He urges us to find a good division of labour, an optimum position for focusing on strengths. He also proposes that we allow the two banks to concentrate on the tasks which face us in future. These are climate change, the concern that we will be threatened with mass unemployment and recession, unless we take countermeasures, and the call, in particular from small and medium-sized enterprises, for public infrastructure, so that we can make progress, create some breathing space and give ourselves a perspective on the situation. Therefore, I would like to thank Mr Mitchell for his good work. He has produced a positive report. The European Parliament has fought to retain its role and will perform its role more forcefully in future. That is the message from my group.

One more comment to Mrs Stauner who has just referred to the supervisory regulations. Of course, public banks must be subject to supervisory regulations and to proper controls. However, the same supervisory regulations cannot be applied to them as to normal banks, otherwise they would not be in a position to take on the risks which we often want them to accept. For this reason, I am in favour of controls, but of a different kind.

**Wolf Klinz**, *on behalf of the ALDE Group*. – (DE) Mr President, ladies and gentlemen, the European Investment Bank and the European Bank for Reconstruction and Development have existed in the shadows for a long time. Over recent years a large section of the public has hardly been aware of their presence. I hope that in times of financial and economic crisis this will now change, because these important European institutions are becoming more significant than ever.

Given the large amounts of money which both banks handle and allocate in the form of loans, it is crucial that they work according to clear criteria and principles. The fact that these are public institutions is not in itself a guarantee that this is the case. We have public banks, for example in Germany, which have breached these principles and have got into difficulties, in just the same way as many private banks. I hope that both institutions, the EIB and the EBRD, set their priorities on the basis of very clear considerations and that these priorities will in future, when we look back on this period, be seen as correct and realistic.

The important thing is, and I can only support the banks in this respect, that they continue to focus on medium-sized companies, which are the backbone of the European economy, and that they focus on projects which clearly fulfil the criterion of sustainability. The banks have a very good rating, better than triple-A. This enables them to obtain and provide financing on relatively favourable terms. We must ensure that we do not place them under excessive strain and, particularly in times of crisis, do not attempt to use them as a source of capital in areas where other sources of capital may already be drying up.

I am pleased that the Members of the European Parliament will be involved in identifying the priorities from next year onwards. I believe that the fact that the banks are even more accountable to Parliament than they have been in the past will form the basis for good and constructive cooperation.

One last point: I would encourage both banks to increase their efforts and to make sure that they do not duplicate their activities. They should instead supplement each other's work and work together in a complementary way.

It also seems important to me that the EBRD continues to play a role in the transition countries, because we must not abandon these countries, especially in times of crisis.

**Sepp Kusstatscher**, *on behalf of the Verts/ALE Group*. – (DE) Mr President, ladies and gentlemen, firstly I would like to thank those responsible for both reports, which we in the Group of the Greens/European Free Alliance support. We are in favour of extending the activities of the European Investment Bank in the developing countries. We have long campaigned for EIB project funding to adhere to social and environmental standards and to uphold human rights. In practical terms this will now happen because of the Community guarantees for EIB projects. We would like to thank the Committee on Budgets which has taken up this point and successfully followed it through with the Council.

The EIB is a very important tool within the EU, which enables the social, environmental and economic development of the Member States to be controlled. I would therefore ask for closer checks than those that have been carried out in the past on all projects supported by the EIB, to determine whether socio-environmental sustainability and profitability can really be guaranteed. This is especially important in the current financial and economic crisis.

For example, it would be a serious mistake for the EIB to support large-scale projects such as the bridge over the Straits of Messina or the Brenner base tunnel for high-speed passenger trains. These projects require large



amounts of machinery and are highly capital-intensive. Support for modernising and extending existing infrastructures is far more beneficial in terms of the labour market and environmental impact.

The quantitative growth comes from an outdated philosophy of 'faster, higher, further'. We need a sustainable socio-environmental policy for both our citizens and the environment. Thank you.

**Konstantinos Droutsas**, *on behalf of the GUE/NGL Group*. – (EL) Mr President, the report welcomes the activity of the two banks, without however mentioning their responsibility for and contribution to the capitalist crisis. The EIB has taken upon itself the role of lender to banks and companies, with the aim of supporting the profits of capital.

The European Union's recovery measures are accompanied by mandatory measures of financial prudence. A common component of the European Union is the anti-grassroots policy of the Lisbon Strategy, of the Stability Pact and of the Treaty of Maastricht, the objective of which is to shift the burden of the crisis on to the workers' shoulders by cutting wages, making flexible contracts of work the rule and sharing out unemployment and with new anti-insurance reversals.

One typical example is my country, against which the excessive deficit procedure has been opened twice in five years. The Commission is demanding measures of a permanent and lasting nature: additional measures to cut social spending, especially on public health and care, while at the same time the private sector in this sector is growing richer. At the same time, it is demanding increases in taxes on grassroots consumer products and an increase in VAT rates.

The only approach which serves grassroots interests is the path of rejection of the measures being imposed by capital, and on which basically all the forces that support Maastricht and the European Union agree, and the formation of a socio-political alliance for a grassroots economy and grassroots power.

**John Whittaker**, *on behalf of the IND/DEM Group*. – Mr President, what worries me most is the suggestion that the European Investment Bank (EIB) has a significant role to play in solving the financial crisis – that it can somehow act as the Europe-wide body to provide stimulus where Member States have singularly failed to coordinate their own stimuli.

The danger is that, if it expands its activities too far into supporting commercial banks and governments – as has been suggested – then its enviable high credit rating may be downgraded, like some of our governments.

The EIB has a leverage of about 35 times, and its shareholders are Member State governments. It would be a serious issue if it were to go bust, like some of our commercial banks. The report even encourages the EIB and the Commission to increase lending by experimenting with new innovative financial instruments. I thought the world had seen enough of clever financial tricks.

**Laima Liucija Andrikiienė (PPE-DE)**. – Mr President, first of all I would like to cordially thank our Finnish colleague Esko Seppänen for his efforts which contributed to reaching a compromise with the Commission and the Council on EIB loans and Community guarantees.

As we all know, after the European Parliament won a case before the Court of Justice, the respective Council decision was annulled, but to remain in force for one year until a new decision is adopted. The Commission proposed the codecision procedure and tomorrow we are to vote on the compromise agreed during the trialogue and bring this codecision procedure to a close.

It is important to remember that the EIB was originally set up to finance operations within the EU. So the Community guarantee to the EIB against losses and loan guarantees are the basis for its activities outside the EU. The proposal we discuss today covers around 10-15% of the EIB's activities, i.e. the bank's activities outside the EU in the pre-accession countries, Mediterranean countries, Asia, Latin America and South Africa. These EIB operations are especially relevant in middle-income countries and infrastructure, financial and commercial sectors. These EIB operations are of utmost importance in an environment of global financial crisis and recession.

I am happy that we managed to reach a compromise on all the major issues, such as the deadline for the presentation of a new proposal for a decision, which is now 30 April 2010, as well as on the sunset clause, which is 18 months after the deadline, 31 October 2011.

The European Parliament amended the Commission's proposal pointing out the importance of respect for human rights, development policies, energy diversification, request for strategic documents, greater transparency of the EIB policies and activities.

We have a good result, and I hope that tomorrow the compromise will be adopted by the necessary majority. I am counting on the support of all the political groups of this House.

**Paulo Casaca (PSE).** – (PT) Mr President, I join my fellow Members in applauding the magnificent work carried out by our rapporteur on the Committee on Budgets and the way in which he managed to fight for the rights and prerogatives of the European Parliament.

In accordance with the Court of Justice judgment of 6 November 2008, the European Parliament has full codecision powers in this area. Furthermore, the European Investment Bank has a clear mandate to support sustainable economic and social development, the integration of developing countries into the world economy, the campaign against poverty, and compliance by these countries with the rule of law, human rights and fundamental rights.

We will be here to ensure that the EIB's investments pursue these objectives.

**Margarita Starkevičiūtė (ALDE).** – (LT) The European Investment Bank is the world's largest bank and it is clear that it has an important role to play in developing the economy in the European Union's internal market and beyond. Currently many proposals are being put forward to extend the functions carried out by the European Investment Bank. I am a member of the Committee on Economic and Monetary Affairs, but I cannot even remember many of those proposals. It seems that now everyone knows what the European Investment Bank must do. There are also many proposals to re-evaluate the operations carried out by the bank outside the European Union. The document drafted by the rapporteur is specifically intended to extend the validity of the Community's guarantees to cover losses incurred by the European Investment Bank's lending outside the European Union.

The variety of proposals clearly shows that we need broader debate on the activities of the European Investment Bank and the direction in which those activities should be developed. I hope that the Commission will find time to examine this problem more closely in the overall context of the European economic stimulus plan. As for the guarantees offered by the European Investment Bank, many additional conditions have been laid down to take human rights and aspects of equal development into consideration. This is a welcome initiative, but in its external policy the European Union should aim to make other banks, operating in third countries, implement or carry out their activities based on these principles as well. Only then will there be equal competition outside the European Union and the European Investment Bank will not risk experiencing many losses.

**Jean-Pierre Audy (PPE-DE).** – (FR) Mr President, Commissioner, Mr Maystadt, my first question concerns the report by the European Investment Bank. I wonder: has the regulation and supervision mission demanded by Parliament been set up? Furthermore, Commissioner, I cannot understand why you do not take the initiative devolved upon you under Article 105 to refer this to the Council, so that such a mission can be undertaken by the European Central Bank. Your answers to me have been very evasive, which I find regrettable.

I must also refer to the guarantee issue: I do not understand why the guarantee being granted in this way is not remunerated. Of a total planned guarantee of approximately EUR 30 billion, that would represent a loss of resources of between EUR 30 and 100 million for the Union's budget. Nor do I understand, Mr President, why the Committee on Budgetary Control, under whose remit European Investment Bank issues fall, has not been referred to for its opinion on this issue of the guarantee granted to the Bank.

**Czesław Adam Siekierski (PPE-DE).** – (PL) Mr President, the European Investment Bank and the European Bank for Reconstruction and Development are two extremely powerful institutions that can help regional development both within the European Union and in third countries. This is particularly evident today with the financial crisis and the resulting restrictions in access to investment loans.

When the majority of banks were drastically cutting back on loans to countries neighbouring the EU for their financial programmes, both of the above banks were vigorous in promoting investments in transport or the environment.

At the same time, the European Investment Bank is a major source of loans and loan guarantees for the European small and medium-sized enterprise sector. In the present difficult times, this constitutes invaluable

support for entrepreneurs. What is also important is that the six priorities implemented by the European Investment Bank include ensuring sustainable and secure energy competition for the European Union.

**Thomas Mirow, EBRD.** – Mr President, thank you very much for this report and the chance to continue the discussion begun with the committee in November. It is timely and welcome in particular for three reasons.

First, the context of the financial and economic crisis renders any encouragement of greater cooperation between EBRD and EIB more relevant than ever. Yet the crisis also means that cooperation between public international financial institutions is no longer just a policy-driven aspiration but a vital necessity.

Faced with the dramatic decline in private flows of credit, we came together last month with the World Bank group to launch the joint IFI action plan in support of banking systems and lending to the real economy in central and eastern Europe.

This is a EUR 24.5 billion package over 2009 and 2010 of which the EBRD will contribute EUR 6 billion. The action plan recognises that an effective crisis response in Europe's integrated financial markets requires fast and coordinated action by all stakeholders: parent banks which own a large part of the region's financial sectors; important local banks; home and host country authorities of cross-border banking groups; European institutions and the IFIs. With this wide range of stakeholders we are working together to implement the plan and are developing the coordination and cooperation mechanisms to do so.

And we see – as we saw last August when faced with the conflict-driven banking crisis in Georgia – that this kind of IFI cooperation, born of need, is the kind that works best.

Second, under the aegis of the European Union, new structures of cooperation between EBRD and EIB offer great new opportunities for us to work together.

I refer in particular to the Western Balkans investment framework, now being launched, as well as to the Eastern Partnership announced by the European Council in recent days which will build on the good cooperation we have already established through our memorandum of understanding and the neighbourhood investment facility.

These initiatives, facilitated by EC funds, bring us together to work concretely on specific projects and programmes combining the strength of each institution and, as such, offer an excellent crucible in which to forge the development of our joint work.

I believe it is in this context that we may find divisions of labour, applications of joint expertise and the necessary mechanisms of cooperation, including common standards, which you have called for.

Third, I take the European Parliament's views as welcome input to the early stages of the EBRD's fourth capital resources review which we will conclude at our annual meeting in Zagreb in May 2010.

The EBRD has taken a proactive stance in response to the crisis: supporting our clients in countries of operations, we are expanding our instruments, and aim to invest EUR 7 billion in 2009 – an increase of more than 20%.

At the same time, we have to acknowledge that our risk exposure is also increasing. The full implications of the current situation on our portfolio and on the development of our business cannot yet be clearly seen. Yet the importance of our partnership with the EIB and with the European Union in meeting our commitments, both to our shareholders and to our countries of operations, is clearer than ever.

#### IN THE CHAIR: MR BIELAN

*Vice-President*

**Philippe Maystadt, President of the EIB.** – (FR) Mr President, ladies and gentlemen, allow me first of all to thank you for once again giving us the opportunity to pursue the constructive dialogue that has been established between the European Investment Bank and Parliament for some years now.

I am particularly happy to have the opportunity to discuss the two reports being presented to us today, because they are two reports – that of Mr Mitchell and that of Mr Seppänen – that are interesting and that raise entirely relevant issues. I hope that we will have the opportunity to return to these issues later.

Today, of course, we are facing a crisis on an exceptional scale – probably the most serious crisis since the end of the Second World War – and it is therefore quite normal in this context for Member States to call on our two institutions to try to make a contribution to the European Union's response to this crisis. You know that in this context the Member States, which are our shareholders, have asked the EIB to substantially increase the volume of its lending in 2009, an increase of some 30% compared to the initial forecasts, and to channel this additional effort essentially into three areas: firstly, loans to banks for small and medium-sized enterprises; secondly, energy, and in particular the fight against climate change; and finally, a special effort for those countries that are hardest hit by the crisis.

What point have we reached today? I will give you the statistics covering the last three months of 2008 – in other words, starting from the time at which the first appeals were made to the EIB – and the first two months of 2009. During those five months we lent more than EUR 31 billion, which represents a 38% increase compared with the same period of late-2007/early-2008. In the first area, as regards loans for small and medium-sized enterprises, EUR 5.6 billion in loans were issued in this short period. Several of you have stressed the importance of aiding small and medium-sized enterprises in the current climate. In fact, we are making a very special effort in this area, and I can already tell you that the objective that we were set of releasing EUR 15 billion of these loans during the years 2008 and 2009 will be exceeded.

As regards the second objective, energy and the fight against climate change, here too we have made a particular effort, and it is in this context that financing for the automotive industry must be placed. We must be clear: in this sector our funding is going towards projects involving research, development and production of eco-friendly cars, that is, cars that will meet the Union's new standards regarding the reduction of CO<sub>2</sub> emissions.

Finally, regarding the third area: aid for countries that have been hardest hit by the crisis: during this same five-month period we issued EUR 910 million in loans in Hungary, EUR 600 million in Latvia, EUR 1 billion in Romania and EUR 1.1 billion in Lithuania.

I therefore think that I can say that we have been doing our best to respond to the Member States' appeal and to implement the agreed measures without delay. Mr Mirow himself has already alluded to the joint International Finance Corporation-European Bank for Reconstruction and Development action plan regarding aid for the banking sector in Central and Eastern Europe.

Naturally, this increase in the volume of our loans is only possible thanks to the increase in capital on which our shareholders have decided – it will not cost the Member States anything. However, it was decided that we needed our shareholders' authorisation to turn our reserves into capital.

Several of you have asked questions about monitoring and supervision of the EIB, and I personally think that the question is totally legitimate. When a financial institution grows in such a way, it is normal for there to be concerns about how it is monitored. There is what is already in place, which is not insignificant: there is a certain amount of internal monitoring and, above all, there is external monitoring by an independent audit committee that reports directly to our governors. Moreover, the Treaty of Lisbon makes provision for strengthening this audit committee with the addition of people who have proven experience of banking supervision.

Might we go further? I would remind you that the Court of Auditors already monitors all the EIB's activities whenever these involve the use of funds from the European budget. Should we go further towards a formal system of banking supervision? That is what Mrs Stauner was hoping for. Mr Bullmann pointed out that things were perhaps not that simple. In any event, it is worth discussing. All I can do today is confirm that the EIB is fully open to being subjected to formal banking supervision, if it is considered worthwhile.

For the moment, we have organised, alongside the Financial Sector Supervisory Commission in Luxembourg, a form of informal supervision.

In answer to Mr Audy, I would say that the action that he requested last year from the Committee of European Banking Supervisors (CEBS) has indeed been carried out. We have therefore questioned the CEBS, but it informed us that it itself did not have any authority in the area and that it could not even act in an advisory role. We are therefore still in the hands of those who would like to take an initiative in this regard. I say again that we are open to such initiatives.

A word in conclusion on cooperation between our two institutions. Mr Mirow has already indicated that it was developing well, particularly in the Western Balkans, and with our neighbours in the East, most recently in Turkey. All I want to say, in order to keep to my speaking time, is that we are in full agreement with the

recommendations featured in Mr Mitchell's report. We think that it would be in the common interest of both our institutions, and of our borrowers too, for us to move towards a more rational and functional division of labour.

A word in conclusion on Mr Seppänen's report. I would like to say how much we have appreciated Mr Seppänen's constructive approach. He proposes a temporary solution, which allows the EIB to continue with its activities, but which fixes a date for an in-depth discussion of the role that the EIB should play outside the European Union. I am in no doubt that this is a debate on which we will spend some time and that, I believe, has come at just the right moment.

**Joaquín Almunia**, *Member of the Commission*. – (ES) Mr President, I want to thank all the Members who have spoken in this debate. I believe most of the speeches expressed a high level of agreement and consensus on the guidelines that have just been set out by the Presidents of the two banks, at this time of crisis but also of opportunity. By using their resources and actions, they intend to support such essential policies in the European Union as energy efficiency, the fight against climate change, support for small and medium-sized enterprises and support for clean technology in sectors which are very badly affected at the moment, such as the car industry.

I believe that there is also very broad agreement on the need to intensify, as far as possible, the actions of both banks in those countries particularly affected or hit by the crisis, both within the European Union and beyond our borders. I agree with all those Members who have asked the banks to do more. I do not agree with the person who told the banks to do less or to be more prudent at this difficult time. I believe, in fact, that the existence of banks such as the European Investment Bank or the European Bank for Reconstruction and Development is particularly justified at a time like the present.

I have a few final words to say on the comments regarding the supervision of the EIB. I am delighted that Mr Maystadt has demonstrated his openness, which in fact I had already seen before, towards reviewing this issue and finding a solution to it, as was previously mentioned in the debate last year.

Of course the Commission is ready right now to work together with Mr Maystadt to identify the most effective tools, which at the same time comply with our rules, in order to find a solution to such an important issue, particularly at a time when the EIB and also the EBRD are having to resort to markets where it is more difficult than in previous years to raise finance under favourable conditions and with the highest possible rating with which both banks work.

**Gay Mitchell**, *rapporteur*. – Mr President, let me thank the Commissioner and both Presidents for their contributions and all the Members of the House who contributed.

Let me make three brief points in response. The comments made by President Maystadt that the EIB's additional financial support will allow quick disbursements and contribute to the real economy, notably by protecting good projects and helping viable companies in these difficult times, are very encouraging. It is my opinion that we need to support struggling companies as much as possible to provide them with the credit they need to keep their businesses afloat and to ensure that jobs are not lost.

The report calls, however, for vigilance with regard to the use made of EIB loans by commercial banks, and for a code of conduct between the commercial banks and the EIB in this respect. I hope Members would note that from some of the comments that were made.

Secondly, the current mood in Europe is one of apprehension: housing prices continue to tumble in some countries and people are hoarding their savings. To combat the effect of this crunch, we must begin to talk about the recovery. We took our eye off the ball when it came to the crisis we are in. We are taking our eye off the ball again. Recovery is coming: it may be at the end of this year or it may be next year, but it will come. We need to start talking about recovery and preparing for recovery and, in particular, being competitive enough to take advantage of recovery. I urge that on the three institutions represented here today and on the House.

Lastly, there is a need for the EIB and the EBRD to work together with other international and regional financial institutions – such as the World Bank, the Asian Development Bank and the African Development Bank – in order to promote development in areas further afield from Europe. These banks have a positive impact in delivering aid to developing countries, but I believe that this impact needs to be properly assessed.

The financing of land ownership in developing countries needs to be looked at as an investment cost under the EIB external lending mandate. I have raised this issue on a number of occasions. The country I come from

experienced famine. We experienced all sorts of things that people in African countries are now experiencing. What changed the north-eastern part of our island was that people invested in universally small pieces of land.

Look at this model for the developing world. We need them as our future trading partners and I urge both banks to consider what I have said here, because I think that is a way to help the developing world. This is an issue raised here today only minutes ago by the Prime Minister of Great Britain, and I commend that particular point to both banks.

Thank you, Mr President, for the opportunity to respond to this debate. I hope we will continue to go forward in an atmosphere of mutual cooperation for the benefit of Europe.

**Esko Seppänen, rapporteur.** – (FI) Mr President, Commissioner, ladies and gentlemen, I note that there is a large consensus in this House regarding the legal basis for the European Investment Bank's new External Lending Mandate.

As the EIB representatives arrived late and did not hear my initial speech, I would like to bring to their attention the fact that the matter is now being decided in the context of a codecision procedure and that the European Parliament is no longer a pushover, as it has been up till now in matters to do with the European Investment Bank.

The EIB will no longer be able to count on the support of a few trustworthy Members in the future. In the codecision procedure it will require the broad support of the European Parliament. For that to happen, the EIB will need to make its practices more constructive in relation to the European Parliament than we felt to be the case whilst this mandate was being considered. I believe that during this time this has been made clear to the bank and I hope it understands the message that Parliament has sent it. All's well that ends well.

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

The vote will take place on Wednesday 25 March 2009.

#### **Written statements (Rule 142)**

**Paolo Bartolozzi (PPE-DE), in writing.** – (IT) The role of the EIB in the implementation of European development and cohesion policy has become increasingly important.

Although the EIB has come in for some criticism in the past because it was considered somewhat removed from the economic and social cohesion objectives pursued by the European Union, by focusing its efforts above all on public bodies, it would seem to be changing course as far as the development and cohesion prospects for 2007-2013 are concerned.

By cooperating more closely with the European Commission, the EIB is today presenting itself as a modern and dynamic bank, and this is thanks to the increase in the number of types of financial projects designed to help restore the socio-economic balance of less-advantaged European regions. As regards the implementation of measures, we are particularly pleased to see the introduction of support mechanisms for SMEs, which will be able to increase their investments as a result of having better access to the financial markets.

In addition to the package of measures laid down by the European Commission for assisting SMEs at Community level and which are currently being implemented, the EIB must provide added value and get SMEs' activities up and running and developing quicker, as these represent the main, non-substitutable source of new jobs in Europe.

**Alexandru Nazare (PPE-DE), in writing.** – (RO) The basic issues dealt with in this report do not concern the Community guarantee per se, but rather the ways of making a more effective use of the finance granted by the EIB. The EIB's role as an EU instrument for supporting economic development is indisputable. The EU has a series of financial instruments in the area of external relations and the EIB's activity must be complementary to them.

With regard to the financing priorities, I am pleased that the current version of the report also features my proposal to include a necessary clarification about the energy projects in Eastern Europe and the Southern Caucasus, namely that they must be 'in line with the objective of Community policy of diversifying energy sources and with a view to guaranteeing stable and secure resources for consumers.'

I am pleased that European leaders have reached a compromise within the European Council regarding the financing of energy projects by the EU as part of the Economic Recovery Plan. I am also pleased that the Nabucco project survived this compromise and that it has been declared a priority energy project. I hope that the EIB will be involved so that this project can reach the necessary level of investment and that, starting from 2013, we can transport gas from the Caspian Sea to Europe.

## **10. The ABB-ABM method as a management tool for allocating budgetary resources - Mid-term Review of the 2007-2013 Financial Framework (debate)**

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

- A6-0104/2009 by Mr Virrankoski, on behalf of the Committee on Budgets, on the ABB-ABM method as a management tool for allocating budgetary resources (2008/2053(INI)); and

- A6-0110/2009 by Mr Böge, on behalf of the Committee on Budgets, on the Mid-Term Review of the 2007-2013 Financial Framework (2008/2055(INI)).

**Kyösti Virrankoski, rapporteur.** – (FI) Mr President, before us is the report on Activity Based Budgeting and Management. I would like to thank the entire Committee on Budgets for its robust and consistent support, as well as the Committee Secretariat and all those who assisted me.

Activity Based Budgeting (ABB) and Activity Based Management (ABM) were introduced during the Prodi Commission, spearheaded by Commissioner Kinnock. The stimulus for reform was provided by the report by an external group of experts that was commissioned to look into the crisis the previous Commission was going through. This report represents a sort of mid-stage review of what is referred to as the 'Kinnock reforms'.

The aim of ABB and ABM is to clarify administration by budgeting available resources and human resources according to policy area. Administration should be able to show the results achieved clearly in order to make their value compared to input clearly visible.

The main focus is results and not so much how they have been achieved. The approach reflects that used in business.

The system can also be expressed more simply. It is not enough that money is spent – or even 'blown' – legally or in accordance with the rules: the results determine the quality of administration, not good intentions.

The results also show how efficient management and administration are. Let us take the structural and cohesion policy as an example. If, two years and three months after the programming period starts, over three-quarters of the administration and control systems have not been adopted, administration cannot be regarded as being efficient. It may be the fault of both the Commission and the Member States, though the fact remains that the administration is bureaucratic and inefficient.

ABB and ABM put the emphasis on and promote efficiency. They reduce bureaucracy and strengthen the legal status of citizens and those affected by the administration affects, as regards management.

Activity Based Management puts the emphasis on personal responsibility, but it also allows for freedom of action. With a good administrative system there is a clear division of responsibility. Management has a face, at both the lower and the upper level.

Because the goal of management is good productivity, a manager should not put unnecessary constraints on work. Only essential regulations are necessary. There is no need for inessential reports and planning.

This report is based on recent studies, the most important of which are listed in the explanatory statement section. Their general tone suggests that the implementation of ABB and ABM has been a success and has brought about a major cultural change in the Commission whilst at the same time helping to clarify personal responsibilities and accountability, and making management more effective, result-oriented and transparent.

Bureaucracy and the fact that it is on the increase, however, are a real danger. We particularly need to assess whether the current annual Planning and Review Process involves too much planning, especially in comparison to the presentation and evaluation of the results achieved.

We should also examine how the five-year strategic objectives of the Commission, its 'Government Programme', are linked to the multiannual financial frameworks (MFF) and, moreover, to the Annual Policy

Strategy. The Annual Policy Strategy is often associated with elements that have no obvious connection with the Government Programme, the five-year strategic objectives or the multiannual financial framework. This generally causes problems for the drafting of the budget, as resources are included in the revision of the financial framework, which is what the Council objects to in particular. There have been clear examples of this virtually every five years.

The Commission has particular difficulties determining the 'negative priorities', to wit, the activities that are unnecessary or less important and which should be abandoned. It is to be hoped, in this respect, that the Commission will be bolder in its approach.

It is still hard to estimate administrative expenditure, although this is budgeted separately, because administration is still financed from functional appropriations, and that includes executive agencies and, frequently, technical assistance in Member States. That is why the report gives attention to the importance of monitoring human resources.

Finally, Mr President, the report before us is based on our European heritage – Article 15 of the Declaration of the Rights of Man and the Citizen of the great French Revolution of 1789: 'Society has the right to ask a public official for an accounting of his administration.'

**Reimer Böge**, *rapporteur*. – (DE) Mr President, Commissioner, ladies and gentlemen, today we are discussing the mid-term review of the 2007-2013 Financial Framework. I would like to remind you once again that we originally agreed on a series of interinstitutional declarations which this report calls to be implemented and which we are handing over to the newly elected Parliament in the form of guidelines for the future conduct of the European Parliament in its debates over the next few months.

There were three main declarations which required Parliament to be included in future discussions of revenue and spending policy, in a way which has never been the case in the past. Therefore, the Commission undertook to present a report on the functioning of the Interinstitutional Agreement at the end of 2009. The Commission also undertook to present a full, wide-ranging budget review covering all aspects of EU spending, including the common agricultural policy, and of resources, including the United Kingdom rebate, in 2008/2009. In addition, we must not forget that a mid-term review of many of the multiannual programmes will take place in this House in 2010.

Anyone who looks at the papers from the public consultation will see that the Member States, in contrast to the other bodies which expressed an opinion, are attempting to shirk their responsibilities and the undertaking they have entered into by moving directly to the subsequent Financial Perspective. I have just come from a discussion on the so-called Economic Recovery Plan, and I would like to say that what is happening here, with the constant search for margins which are no longer available, and with new plans which infringe on the budgetary rights of Parliament, makes it clear that we cannot go on as before. This is why I am calling on the Commission to present a proposal in the autumn which will not only cover the period after 2013, but will also include a review of the Financial Perspective and open up new prospects for the future.

We state quite clearly in this report that we will focus first of all on existing deficits and the long-term outlook, without dealing in detail with the budgetary impact of the Lisbon Reform Treaty. For this reason, in the Committee on Budgets we have voted with a large majority in favour of a three-step approach: resolution of the shortcomings and obvious deficits in the outstanding issues that we have not been able to negotiate successfully and clarification that there are budget headings – the main areas of emphasis of our policies – which are chronically under-funded. For example, we will not achieve our objectives in research and innovation. In the areas of headings 3a and 3b we will not be able to achieve what we wanted to with regard to culture, youth, education and ensuring our internal and external security. The Common Foreign and Security Policy is also chronically under-funded.

This is why we have made the following offer to the Council: let us discuss these shortcomings and hold negotiations in this area, but not as part of the struggle over the annual budgetary procedure. Our proposal is to resolve these problems in an ambitious review and, at the same time, to extend the existing Financial Perspective until 2015 or even 2016, so that in the long term we achieve the necessary democratic legitimacy in the financial framework. This will involve bringing the term of office of the Commission and the period covered by the financial framework more closely into line with one another. In addition, we must not forget, in particular in the context of the debate on the European Investment Bank, to ensure that there are no shadow budgets outside the Community budget.



I would like to conclude by saying that this report is in agreement with the reports produced by the Committee on Constitutional Affairs. This is why we are giving the following message to the Commission and the Council: for us the objective of achieving a five-year financial framework which runs in parallel with the term of office of the Commission is not negotiable. We are only prepared to negotiate about how we achieve our objective. Thank you very much.

**Dalia Grybauskaitė**, *Member of the Commission*. – Mr President, thank you very much for these two reports – which we can evaluate as being for the new Parliament and, probably, for the current Commission still, as well as for the new Commission – on how we will negotiate, what tools we will have to manage the European budget and what kind of future European budget it will be.

On this point, I wish to congratulate us all, including Parliament and the Commission. Over five years we have had unprecedented events. We have revised the financial framework three times – which had never happened before – Galileo, the Food Facility and, now, EUR 5 billion.

That is exactly due to the capability of the institutions to use this rigid environment in which we operate in financial frameworks today to the best of our capabilities, to deliver where it was needed.

The Commission therefore takes note of both reports, especially Mr Böge's report, which relates to the future shape of the European budget. The Commission is ready, and will be ready, to negotiate on the basis of what you include in your report. We will confirm our obligation to deliver the mid-term review and evaluation of how the IIA is working. We confirm that we will deliver on what we have been obliged to do, and as has been promised in the IIA, on budget reform by the end this year.

Taking that into account, I would like to thank Parliament personally. I am probably talking to you on one of my last occasions here and I would like to thank you for all the cooperation I had, for all the understanding I have had from you right from the very beginning. In these difficult times we have been able to deliver very good results together.

**Michael Gahler**, *draftsman of the opinion of the Committee on Foreign Affairs*. – (DE) Mr President, firstly I would like to give my support to the three-step approach to the mid-term review developed and presented by Mr Böge. It gives the opportunity for a careful analysis of our political objectives, the necessary changes to the tools available to us and the question of funding.

*Ceterum censeo*: as a foreign affairs specialist, I would like to demand once again an end to the chronic under-funding of foreign affairs. The Commission has agreed to present an evaluation of this area. We want to see short-term solutions as part of the current financial framework and workable options for the next financial framework. Among other things, appropriate funding must be provided for the European External Action Service. We want a European Union which fulfils its obligations in the area of foreign relations and can react rapidly and appropriately to crises. Our credibility and our ability to be an effective partner depend on this.

We welcome the further development of European Neighbourhood Policy to include the Eastern Partnership and the Union for the Mediterranean, which gives the partners two efficient and reliable frameworks. However, we will have to find out whether the financial arrangements are workable against the background of our foreign policy challenges. We are calling for new legal regulations and appropriate funding in the next financial framework for cooperation with third countries outside the context of public development aid.

I would like to express one more wish for the future above and beyond the Lisbon Treaty. I think that all the funding for external activities should be included in the EU budget. This relates both to the European Development Fund and the Athena mechanism. Our governments should not be afraid of creating transparency in a specific area in order to make it clear how much we are already undertaking jointly in the European area in terms of foreign policy, including and in particular in military action.

**Herbert Bösch**, *draftsman of the opinion of the Committee on Budgetary Control*. – (DE) Mr President, I would like to congratulate the Commission on this communication, which it has presented openly in just the way we had imagined in the past. Congratulations!

The 300 or more contributions are worth following up. They are committed proposals which will help us to move forward. I am very grateful that the subjects of accountability, transparency and the visibility of policies have been covered in the communication. This will be a decisive influence. My applause for the previous speaker was, of course, as a result of the impression created by the question as to what extent the Council can withdraw the European Union from the control of the European Parliament. With regard to

Lisbon this means that if they really acquire more rights, there will be no parliamentary and public control over the eight billion.

To make it entirely clear, I come from a neutral country. I should be able to tell the people who elected me what is happening with the money. I cannot do this, even though I am chairman of the Committee on Budgetary Control. Therefore these considerations must be taken into account in future. I am very grateful for your suggestions.

I am sorry that this debate is falling into political limbo, as we are already saying goodbye to one another and wishing each other luck. I would like to do the same. You have done a good job as Commissioner. Congratulations!

**Paul Rübzig**, *draftsman of the opinion of the Committee on Industry, Research and Energy*. – (DE) Mr President, ladies and gentlemen, Europe has managed to create a so-called zero budget. We are the only political level which has a zero budget. We have 0.89% of gross national income available to us and we are a good example of how carefully European taxpayers' money can be used.

In addition, we have shown over a number of years that our revenue exceeds our spending. We have a little left over every year and we should at last get around to using the money which remains for creating European added value in future. Parliament and the Council should agree on how this money can contribute to European added value. It is very important that we put these foundations in place.

Furthermore, we have just had a debate on the European Investment Bank. I believe that, in particular in times of crisis, funds should be made available as quickly as possible. We need an immediate allocation of funds, especially in the area of research, which offers future opportunities for new services and new products. Simplifying the administration and reducing the amount of bureaucracy are important requirements, in particular for small and medium-sized enterprises, because they want to do business on world markets and to do this they need our support.

A strong focus on developing the infrastructures between the Member States, which the Economic Recovery Plan begins to address – to give one example, Nabucco and other energy pipelines – is crucial in this respect, because rapid investment is possible in this area. If you think about how much steel is needed for these pipelines, it will become clear that our steel industry could, at least in the short term, achieve peak sales and job security. We should work to achieve this.

**Rumiana Jeleva**, *draftsman of the opinion of the Committee on Regional Development*. – (BG) Ladies and gentlemen, as rapporteur for the Committee on Regional Development, I would like to emphasise the importance of the mid-term review of the 2007-2013 Financial Framework.

I welcome Mr Böge's report because it also indicates areas where changes and improvements are needed, thereby paving the way for a more efficient European Union. From my committee's point of view, we are mainly interested in how cohesion policy resources are spent, as this is one of the fundamental parts of the budget. We maintain our long-term stance that the majority of financial resources must be targeted at the less developed regions which require the EU's support. I am pleased that the report does not conflict with our stance on this issue.

There are new global challenges present with a significant territorial impact. In order to overcome them, sufficient funding must be guaranteed for the period beyond 2013. 0.35% of the EU's GDP may not be sufficient to achieve our objectives. We regret that the report does not fully take on board our suggestion, but we welcome the fact that it reaches a conclusion which is very close to ours.

We also reviewed the status of the Structural Funds where, unfortunately, there is a low level of use of resources in some countries. National authorities are guilty to a certain degree of using them ineffectively in their work. I believe that the complexity of the system is also one of the reasons for the low levels of use. Our committee suggested simplifying the procedures and I am pleased that Mr Böge's report follows a similar line of thought.

Our committee believes that we need to initiate the debate again on the spending of the resources which we are losing due to the N+2/N+3 rule. During the negotiations on the Structural Funds Regulation 2007-2013, Parliament suggested that the unspent resources should be used for operational programmes with a better level of use. The Böge report does not consider this idea, but I think that we must take it into account as a starting point for further discussion.

I would like to conclude by thanking Mr Böge for his constructive cooperation and the excellent report which he has compiled.

**Esther De Lange**, *draftsman of the opinion of the Committee on Agriculture and Rural Development*. – (NL) Mr President, I had actually wanted, today, to address the Council, but I understand that no one from the Council is present and that somewhat less importance is therefore being attached to this debate. This surprises me a little, as necessary undertakings in relation to the budget were made last weekend and then, when it comes to debating the specific funding of those undertakings, the Council cries off.

I stand here, in any case, with the requisite sense of irony. Officially, we are here to debate the mid-term review, but in reality everything required has already been said about the economic stimulus package about which a deal was reached last weekend. That package sets out where the mid-term review and the multiannual budget fall short as, since the beginning of the current multiannual framework, we have on three occasions in a row tampered with our own deals. Galileo, the food aid for Africa and the way that that is funded were no things of beauty.

Now, once again, we have the debate about the economic stimulus package. The Council has given undertakings but does not seem to know yet where the money is going to come from. In the field of energy, for instance, just 2 billion or so has to be found for energy projects, not only from this year's budget, but also from next year's budget and possibly the one from the year after that. That means that we will already be groping around in the margins of the agricultural budget. In doing so, people will say, well, it is not agricultural money, it is the margin, but there only has to be one animal disease outbreak and that money actually will be needed within the agricultural budget. Maybe you remember the outbreak of foot-and-mouth disease? Or what happens if the poor prices on the dairy market continue and intervention is required? Furthermore, the margin on the agricultural budget is only going to get smaller over the next few years. The Committee on Agriculture and Rural Development's report for the mid-term review quite rightly points that out.

I would therefore like the Commission and the Council – should the latter put in an appearance, or, failing that, in writing – to confirm that we will first be looking into the existing obligations in relation to agriculture before moving on to looking at what the margin is, and only then seeing whether that margin can indeed be put to use for other purposes. These are the rules that we have agreed with one another. If we do not stick to them, I think we would be throwing the baby out with the bathwater.

**Ingeborg Gräßle**, *on behalf of the PPE-DE Group*. – (DE) Mr President, Commissioner, ladies and gentlemen, I would like to thank Mr Virrankoski very warmly for his own-initiative report which deals with an old concern of the Committee on Budgets, in other words the questions: how do we go about our planning? Which planning tools do we make available? How do we ensure that our priorities are implemented? Thank you very much, Mr Virrankoski, for your hard work.

We believe it is important that our budget priorities are also reflected in the issue of human resources. This is why we would like to make an offer to the Commission. We should make better use of the Commission's reporting obligations to bring together the Annual Policy Strategy and the draft budget. We believe that the annual reports from the Directorates-General do not cover in sufficient detail or fail to consider altogether the hit rate from the budget. What we would like to know is what happened to Parliament's priorities? How high is the hit rate of the Annual Policy Strategy in this respect?

In my opinion, we all have a lot still to learn and we also need a lot more experience, if the entire reporting process is not to remain a purely theoretical objective. It is not a theoretical exercise. It is necessary in order to be able to manage money correctly. This is why we are asking for the management tools to be developed further, to help us to find out more about the way in which the budget is implemented and to include more of the implementation process in the planning procedure.

We are also asking ourselves how the annual management plan can be integrated more effectively into the Annual Policy Strategy. We would like to know more about the costs of the ABM cycle, which also needs to be simplified. It has been suggested that these questions should be included in the screening report. We already have the current screening report – thank you. We will study it and become familiar with it. However, this means that these things must be included in the next report at the latest.

Two amendments have been tabled which our group cannot accept. We do not believe that an extension to two years is correct, because it devalues the management tool even further, instead of improving it. We want

to make the ABM/ABB management tool better, not extend it over two years. We will also vote against the study amendment. It is a good amendment, but it has no place in this report.

We would like to thank the Commissioner for her work and we wish everyone success in the elections.

**Gary Titley**, *on behalf of the PSE Group*. – Mr President, out of this budget review, we simply have to ask ourselves one question: does the budget reflect the political priorities of the 21st century? If it does not, it needs changing. Is it flexible enough to reflect changing times? Because one of my frustrations at the moment with the budget is how we deal with negative priorities. Too much is left in the budget because we cannot change things because of the restrictions of the MFF.

If I could turn to activity-based budgeting and management, I think the Commission has made huge progress on this but I would warn against over-bureaucratising this exercise because what we want to ensure is a qualitative evaluation, not simply ticking boxes. We do not want people spending all their time evaluating themselves when they should be getting on and doing some work. So we have got to be careful about that. I personally think the annual policy strategy would be better if it was every two years or every two and a half years to fit in with the parliamentary cycle. This would allow us to get a much clearer idea of our policy perspectives on top of the Commission's annual work programmes.

**Silvana Koch-Mehrin**, *on behalf of the ALDE Group*. – (DE) Mr President, Commissioner, ladies and gentlemen, reform of EU finances is long overdue and I am grateful to Mr Böge, the rapporteur, for establishing this. We need a fair, simple, transparent, reliable and sustainable revenue and spending system for the EU. The finance for the EU budget should come only from two sources, in other words the traditional own resources and the payments based on the economic power of the Member States, that is, a proportion of gross national income. In this case, the Member States should contribute a maximum of 1% of their GNI.

Instead of making more money available for the EU, the funds should be redeployed to areas where genuine added value can be obtained on a European level, for example common foreign policy, trans-European networks, management of external borders and research. On the other hand, there should be no more long-term subsidies. This also means that the VAT-based own resources should be abolished and, most importantly, that there must be no EU tax, regardless of its form, while the EU is not a truly representative democracy. It is right for there to be a ban on EU public indebtedness. This is an excellent policy and must be retained. In addition, all the EU finance ministers must at last make a national statement of assurance. Thank you very much and I wish you every success in your new role.

**Wiesław Stefan Kuc**, *on behalf of the UEN group*. – (PL) Mr President, both of the reports presented today are based on making assessments we have been forced to make by the decisions of various bodies of the European Union. Evaluating the tools of Activity Based Management, Activity Based Budgeting or 'Strategic Planning and Programming' may be necessary, but give the impression of creating 'art for art's sake'. How can achieving political objectives be compared with building a power station or transport networks? Is the European Union a business undertaking to which we are attempting to apply similar mechanisms of assessing efficiency?

The same applies to the mid-term review of the multiannual financial framework. Every day we are carrying out evaluations and diverting resources from our annual budgets. These decisions are made by the European Council, which increases the funding available for implementing important individual tasks. Stable multiannual financial frameworks give us all a multiannual sense of safety, and that is what we should appreciate the most, particularly in the difficult times at present.

I cordially congratulate Mr Böge and Mr Virrankoski on their very good reports. Mrs Grybauskaitė, I wish you the greatest success in the coming elections.

**Helga Trüpel**, *on behalf of the Verts/ALE Group*. – (DE) Mr President, Commissioner, ladies and gentlemen, at the time of the vote on the current Financial Perspective all three European institutions – the Council, Parliament and the Commission – understood that we need reform if we want to bring ourselves up-to-date. Now the Member States are shying away from this, which is the wrong approach. In contrast, it is right that we need a balance between continuity and predictability on the one hand and the ability to adapt rapidly to new challenges on the other hand.

We need to change the rigid structure. For this reason, the European budget – the medium-term financial plan – must cover five years and therefore be linked in political terms to the responsibility of an elected

Commission and an elected Parliament. This will contribute to transparency and to political clarity and the readiness to make decisions.

Today we have heard what Mr Brown is proposing and what should be on the agenda. President Obama has also announced today his intention to invest 129 billion in renewable energy. I would like to say that we should also make it clear to the citizens of Europe that we must modify the European budget. We must link agricultural policy, for example, to environmental energy production and no longer make direct payments dependent on the size of the farms in hectares. We must create more links with rural development which will really benefit the people who live in rural areas.

We must adjust all our economic policies and growth policies to the paradigm of climate change and sustainability, if we really take the debates that we have here and the Lisbon Strategy seriously, and we must adapt to the new challenges that face us. This also means that we must invest more in education, research and development at European level. All three institutions must find the political courage to do this together.

**Pedro Guerreiro, on behalf of the GUE/NGL Group. – (PT)** The report makes certain points which, to a limited degree, highlight what we have been saying for a long time; namely, that the current Community budget is less than what is needed to properly and effectively promote the proclaimed economic and social cohesion within the European Union. This is even more the case as, despite being in the midst of a crisis, the inadequate limits agreed in the current 2007-2013 Multiannual Financial Framework are not even being fully used – nearly EUR 29 billion short between 2007 and 2009 – and the amounts included in the budget are not being implemented as an ‘expenditure’ objective, particularly with regard to convergence and to agriculture and fisheries.

On the other hand, new priorities are being added, which clash with what we believe should be the objective and central priority of the Community budget: an instrument of redistribution with regard to the costs, inequalities and asymmetries caused by the internal market, by Economic and Monetary Union and by the liberalisation of world trade, for those countries and regions in the European Union which are economically less developed. We should have a Community budget that prioritises real convergence, based on social progress and on protecting and promoting the potential of each country, the sustainable use of natural resources and environmental protection, with the aim of economic and social cohesion, in addition to effective development aid.

We also stress that the Community budget should be based on a fair contribution from each country according to its gross national income, therefore firmly rejecting any more or less disguised attempt to introduce European taxes.

**Nils Lundgren, on behalf of the IND/DEM Group. – (SV)** Mr President, as always when it comes to our budget, this is a conscientious and competent piece of work, but, from a purely political point of view, it has unfortunately got stuck in a rut. As the previous speaker said, it is not a budget for the 21st century. It is clearly based on the idea that the EU's expenditure should just carry on increasing *ad infinitum*. At some point we must put a stop to this.

I would like to mention three points very briefly. It says here that if GNI falls, which it will do now, the EU's budget must not be affected. We cannot carry on operating like this. It is better for money to be spent in the individual countries when they see their economies slump and collapse in the way that is happening now.

The report proposes more money for new areas of activity based on the Treaty of Lisbon. This is arrogance towards the democratic ground rules. That Treaty has been rejected.

At the same time, the report fails to propose any cost-cutting measures. However, there is actually scope for large savings in agriculture, the Structural Funds, the European Economic and Social Committee, the Committee of the Regions and elsewhere. Please make these savings!

**Salvador Garriga Polledo (PPE-DE). – (ES)** Mr President, the time has come to assess how the 2007-2013 Multiannual Financial Framework has functioned so far and what changes might need to be made in the almost four years left of its life.

Firstly, we must acknowledge the limitations of the Financial Perspective agreement adopted in 2006 by the Member States. We denounced it at the time and can now clearly see how inadequate this agreement is. Regrettably, the current Financial Perspective has demonstrated its limitations just at the worst moment, just at a time of crisis when the Community budget should have been acting as the spearhead for the European Union in the fight against the economic crisis and unemployment.

At the moment it would be an almost amazing feat to find EUR 5 billion in the Community budget to be used in the next two financial years in order to relaunch energy research, ensure energy interconnections or improve communications in the rural areas of the EU. Entire regions of the European Union, such as mine, Asturias, are hoping to find a viable and sustainable way of using coal as a clean energy source.

This, for example, is what the Community budget should be used for. However, its inflexibility and the under-funding of the various expenditure headings will only allow this EUR 5 billion to be found if the money for the common agricultural policy for the 2009-2010 period is not fully used. This is not budgetary efficiency; it is quite simply an accounting trick.

Mr Böge, as rapporteur, has today started a very useful discussion about transforming the Community budget into a truly active instrument of economic policy. We cannot allow ourselves any more failed Financial Perspectives in the future.

**Göran Färm (PSE).** - (SV) Mr President, as the shadow rapporteur for the Socialist Group in the European Parliament with regard to this matter, I would like to express my thanks to Mr Böge for his positive spirit of cooperation. A long-term framework is important, but a seven-year freeze with rigid budget ceilings both overall and by sector is an unreasonable model in today's rapidly changing world.

The current long-term budget, which is valid until 2014, was, in fact, determined in 2005. What could we have known then of the current economic crisis, of the situation in Kosovo or Gaza, of the extent of the climate crisis or the extreme oscillations in food prices? No, we cannot carry on doing things this way.

My conclusion is that we must have a detailed overview of the current long-term budget: the multiannual financial framework. This will apply to a particularly large extent, of course, if the proposal of the Committee on Budgets is implemented, in other words, the extension of the current financial framework by the suggested two years in order to synchronise it better with the Commission's and Parliament's terms of office.

So what do we want? Several things, in fact.

Firstly, our aspirations for the budget review itself. In our view, it is unacceptable to focus only on the forthcoming financial framework. The Committee on Budgets has adopted a number of amendments which mean that we will require the Commission to submit a proposal for a sound review of the content of the current long-term budget as early as possible. This is particularly relevant, of course, if our demand for an extension should be implemented.

We also demand that the Swedish Presidency this autumn processes this proposal from the Commission actively and promptly. We must get to grips with this.

Secondly, as regards the political approach, we have received clear signals from the broad open consultation that the Commission has carried out. There are a few areas in particular where the EU must be more forceful. These include climate policy; jobs and growth; and foreign and development policy. If the EU is to be capable of playing a global leading role in these areas, it needs resources. This is absolutely clear. Currently, all of these areas are significantly under-funded.

Thirdly, we need to make a number of necessary technical changes. I do not need to elaborate on this, as Mr Böge has already talked about it. We want to have five years instead of seven and an adjustment to the period so that the new Parliament and a new Commission can have real influence over the framework that is to apply during their term of office.

Fourthly, we want a revised and fairer system for the EU's own resources. What we need now are rapid proposals and a sound mid-term review of the current long-term budget to bring rhetoric and resources closer to one another and to begin the process towards a more long-term sustainable approach to the EU budget prior to the next long-term budget period.

**Zbigniew Krzysztof Kuźmiuk (UEN).** - (PL) Mr President, there are three points I would like to put to the Commission in this debate.

The European Commission needs to propose a system of support for the regions exceeding 75% of GDP per head in the current Financial Perspective, but which will require continued financing in view of the strong internal imbalances in development. I should mention that some regions of Spain, Portugal, Italy and Greece are receiving such transitional funding during the current Financial Perspective.

There also needs to be a final decision on a retreat from the latest attempts to re-nationalise the common agricultural policy. It will not be possible to guarantee mandatory cofinancing of the CAP at similar levels by individual Member States, as this will result in competition being significantly skewed, or in other words the disintegration of the CAP.

Regarding the European Commission's ambition to separate direct payments from production, it is also necessary to remove the great disparities in support for farmland of less than one hectare which currently exist between the old and new Member States after 2013. Otherwise, if the situation persists after 2013, it will constitute *de facto* tolerance of two common agricultural policies on the territory of the EU.

**Janusz Lewandowski**, *on behalf of the PPE-DE Group*. – (PL) Mr President, allow me to continue in a language that Mrs Grybauskaitė understands. Our contributions today are based on two completed budget years within a seven-year perspective. This should clearly urge us to be cautious in the way our interventions are formulated. It appears to me that the unanimous adoption of Mr Böge's report to the Committee on Budgets shows that he has found the common denominator in the views of various political groups.

What strikes me is the fact that almost EUR 5 billion from the 2008 budget remained unused. This must not be repeated. It would be a failure for all of us. There are initiatives by the Commission aimed at making it easier to obtain funding. As that is how things are and should be, regional policy will not and cannot in future be a source of funding for those sections of the budget that are chronically under-funded: we spoke of this when negotiating the Financial Perspective, and this has been fully corroborated in our foreign policy: heading 1a and heading 3. If we continue to rely on 1% of budgets, we will clearly fail to reach a reasonable solution for the European Union budget issue.

In the report I refer to, Mr Böge poses the key question of adapting the parliamentary term to the period of the Financial Perspective. That is indeed the position of this House. However, we should bear in mind some misgivings among countries affected by the cohesion policy, which are looking for some certainty about the policy and do not yet know exactly how reducing this period will affect this predictability in obtaining Structural Funds.

Finally I would like to cordially thank Mrs Grybauskaitė for cooperating with the Parliament, and of course, like other speakers, wish you success in your campaign. Such multiplicity of voices, despite the differences in political views, augurs well in these elections.

**Catherine Guy-Quint (PSE)**. – (FR) Mr President, Commissioner, first of all I would like to remind you that this debate is part of a long process that is several years old: European Commission consultations; the 'health check' of the common agricultural policy; the fourth economic and social cohesion report; and the Lamassoure report on 'own resources' for the budget.

Our European Commission has announced its intention to present, at the latest in autumn 2009, its main guidelines for this revision, which has given rise to some remarkable work by our Committee on Budgets, under the leadership of Mr Böge. We know that this revision will be carried out once the next European Parliament is in place. It is not our current Parliament that will carry it out.

I would therefore stress a basic political point, namely that we have almost achieved unanimity so that the future financial framework tallies with the political mandate of the future Parliament, and that is an arrangement that we would like to see perpetuated. This seems very important to me because, finally, we will have consistency between the results of the elections and the budgetary guidelines to be overseen by the Commission.

Next, I wish to remind you that the opinion of the Socialist Group in the European Parliament is that the budget should be refocused on the fundamental missions: employment, growth and innovation, as our colleague Mr Färm said. However, before finishing I would like to make a point of saying that the real future of the Union depends on this revision, and I hope that the future Parliament makes use of the Böge report so that it is able to achieve our European ambition in the face of the national self-interests relayed daily via the prevarications of the Council.

It is up to Parliament to issue European policies that give all of our fellow citizens real hope in a project that is political and not just economic.

**Margaritis Schinas (PPE-DE)**. – (EL) Mr President, today there are 27 of us and we spend less than 1% of our collective wealth on the Community budget, roughly the same as we spent when there were 15 of us.

This figure alone illustrates why the Böge report we are debating today is one of the Union's basic political ventures for the next five years.

It is a crucial question which we must answer: how much money and for what policies? Where do we set the limit, the measure of our ambitions? This time we must put everything on the table without any preconditions and the discussion must start from a zero base. We shall have to address two important difficulties in this major negotiation:

- the first is that now there are, of course, more of us than there were on the previous occasion when similar negotiations were held; and
- the second difficulty is that, unfortunately, this negotiation is taking place when the fat-cat cycle has closed and we are being hard hit by the economic crisis.

Nonetheless, the negotiation which is basically starting today with the very realistic approach taken by Mr Böge should confirm three basic preconditions which are pivotal to Europe:

- firstly, that the future of farming in the Community must be secured even after 2013;
- secondly, that the principle of cohesion and solidarity between the Member States must not end; and
- thirdly, that the time has come for us to talk about smart development, about money which also goes into brains and not just into asphalt and cement.

#### IN THE CHAIR: MR MAURO

*Vice-President*

**Costas Botopoulos (PSE).** - (EL) Mr President, Commissioner, the report by the Chairman of our committee, Mr Böge, which we are debating today is, in my opinion, very interesting and crucial for three reasons: firstly, because it highlights certain sectors which require improvement; secondly, because it outlines certain proposals; and thirdly, because it paves the way for the major debate in the next parliamentary term.

Sectors which require improvement relate mainly to the mismatch between political choices and Community choices and the inability to manage our budget resources properly.

Proposals:

- one very basic proposal is the five-year cycle of the financial framework and a policy of a five-year cycle for financial policies; in other words, the term of our Parliament would coincide with political proposals at budget level;
- secondly, the question of flexibility is very, very important. However, flexibility does not just mean change between sectors; it means a general response. Flexibility alone is not the solution to the problem.

So all this is preparing us for the major debate in the next parliamentary term on a new political and coordinated budget on new bases.

**Alexandru Nazare (PPE-DE).** – (RO) Reducing the financial programming period to five years, as also recommended in the Böge report – and I would like to take this opportunity to congratulate Mr Böge for his particular contribution to this report – would provide concrete proof of the European institutions' maturity and an indication of cutting red tape.

At the same time, we must be realistic and consider how feasible such a measure is so that we do not end up in extreme situations where it will take us two years to adopt a five-year budget. The key question is how we should go about simplifying the procedures so that European money is used within a reasonable period of time.

There are incidents which have already become legend involving European money which has failed to arrive months, if not years, after the time it was really needed. Just allow me to give you an example involving money from the Solidarity Fund. As you are aware, Romania is going to receive EUR 12 million for the five counties hit by flooding. The floods took place in the summer of last year, we voted on the issue this month, but it is likely that the money will not arrive until roughly a year after the floods took place. Romanians who receive this money will not be aware that they are being helped by the European Union.



**Kyösti Virrankoski, rapporteur.** – (FI) Mr President, I would like to thank all those who have provided feedback on my report.

I would say, now that the European Union is a Community of 27 Member States and 480 million inhabitants, that management and administration need to be simplified and made more efficient. Activity Based Management and Budgeting clearly allow for that, with power and responsibility being divided at appropriate levels, to make for responsible management and the efficient implementation of programmes.

Finally, I wish to thank all of you, and I especially want to wish Mrs Grybauskaitė every happiness and success in her future challenges. It has been a very great pleasure to work with you, and we have noted the excellent levels of cooperation there have been between Parliament and the Commission. Thank you and best wishes.

**Reimer Böge, rapporteur.** – (DE) Mr President, ladies and gentlemen, I would like to start by thanking the Commissioner. After an initial phase of getting to know one another, we have worked together effectively, constructively and openly. This has been evident in the results of a number of negotiations over recent years. I wish you all the best during the next few weeks. I would also like to extend warm thanks to my fellow Members for their hard work and for the discussion which took place in advance of tomorrow's vote in plenary and to Mrs Guy-Quint in her role as rapporteur with regard to the budgetary consequences of the Lisbon Treaty. We agreed on a common procedure for the key points of the reports, in particular with regard to the three-step approach and the time line.

As we understood that the current Financial Perspective 2007-2013 and, in relation to this, the Interinstitutional Agreement from 2006 represented the maximum that could be achieved in negotiations, we were also fully aware of the failures to act. This is why it is so important that this report calls for forward-looking agreements in good time and ensures that they involve full commitment. Our job over the next few weeks and months, in particular with regard to the current negotiations, is all about the Economic Recovery Plan and about reminding the Council that all the elements of the Interinstitutional Agreement, because there are a number of instruments which the Commissioner referred to, are an inseparable part of the overall financial framework. If all the Member States were a little more aware of this, we would have made more progress with our existing regulations.

Finally, I would like to take the opportunity to call on the Commission in the autumn to take into account the fundamental findings and considerations which Parliament will adopt tomorrow. This could be an excellent start to making the necessary ambitious changes in the form of a joint effort by the Commission and the European Parliament and, at the same time, to developing a budget which looks to the future and is combined with greater political legitimacy. This is what Parliament is calling for very strongly and collectively in this report.

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

The vote will take place on Wednesday 25 March 2009.

#### **Written statements (Rule 142)**

**Czesław Adam Siekierski (PPE-DE), in writing.** – (PL) A review of the current financial framework is a good opportunity for reflection, not only on the way in which available resources are allocated, but also on the future form of the EU budget. When introducing changes to the present budget and when planning the next Financial Perspective, we should be guided above all by an aspiration to deepen integration and achieve specific objectives.

Recently we have been able to observe far-reaching changes in the structure of the EU budget. Expenditure on the CAP no longer uses up the largest part of the Community's cash. Currently cohesion policy and measures connected with realisation of the Lisbon Strategy can count on the greatest support. There is no doubt that this evolution is beneficial to the future of a Europe oriented towards an innovative, knowledge-based economy which guarantees a high level of employment. However, such a change must not take place at the cost of undermining European food security and reducing the incomes of farmers.

Equally disturbing is the advancing reduction in the level of the EU budget in relation to the GNI of EU Member States. Statistics show that if in the current Perspective we had maintained the budget at the level it was in the period 1993–1999 (calculated according to the same percentage of GDP), we would have an additional EUR 200 billion available for the realisation of European policies. The pressure which we observe to reduce the Community budget is harmful, because this limits its flexibility and its ability to adapt to

changing needs. Therefore I appeal for adaptation of the EU budget to new challenges not to be made by moving resources from the CAP, but by an appropriate increase in EU budgetary means.

## 11. Future of the car industry (debate)

**President.** – The next item is the Commission statement on the future of the car industry.

**Günter Verheugen, Vice-President of the Commission.** – (DE) Mr President, ladies and gentlemen, this is now the second occasion in just a few months on which we have come together in the Chamber to discuss the situation of the car industry in Europe. Regretfully, I have to say that the situation has worsened since our last debate.

In the last quarter of 2008, sales of new cars fell by 20% and car production by 29%. This negative trend is continuing in 2009. In January and February of this year, the sales figures dropped by 29% and 18% respectively. The fall would have been larger, if some Member States had not launched successful initiatives to stimulate demand. The crisis is not restricted to the European market. Exports to third countries have been reducing rapidly which means that we can expect a negative impact on the European balance of trade. Throughout the world the car industry is under pressure.

There is no prospect of improvement in the remaining months of this year. Overall production of cars and commercial vehicles in Europe is likely to fall by between 20-30%. This means that around 5 million fewer vehicles will be produced in Europe in 2009 than in 2007. The negative forecast applies in particular to commercial vehicles where a fall in production of 35% is expected.

As you know, the Commission has responded quickly to this situation. In October 2008, we made the first recommendations in the CARS 21 group for overcoming the crisis, including the involvement of the European Investment Bank and the scrappage incentives. At the beginning of January I met with EU finance ministers to agree on a common approach to the crisis. On 25 February the Commission presented a concept which was approved a few days later by the European Council and the Competitiveness Council.

Our responses are aimed directly at the most important causes of this very severe crisis. These causes include rapidly falling demand, difficulty in accessing capital, liquidity problems and structural overcapacity. In the case of structural overcapacity, this is a worldwide phenomenon. What we want to do now is to maintain the integrity of the European internal market, avoid protectionism and preserve the solidarity of the Member States, in order to save jobs in the car industry.

I would like to state very clearly at this point that the industry itself must make the first moves. Within CARS 21 we have established the basic conditions for a forward-looking car industry and are constantly improving them. To be quite clear about this, the European car industry must now make efforts across a broad front to bring the types of cars onto the market which we need at the start of the 21st century, in other words, energy-efficient cars with low fuel consumption, which make careful use of resources.

On the political side, the Commission has made its position clear. In our opinion, the most important task is to enable the financial system to function effectively once again, so that the high level of investment needed by the European car industry can be provided. This high level of investment is necessary because the industry must develop and bring onto the market the European car of the future.

We have adopted the Temporary Community Framework for State aid, which gives the Member States more room for manoeuvre in solving liquidity problems. This was a necessary step to ensure that otherwise profitable companies did not fall victim to the acute effects of the crisis.

In addition, we wanted to ensure that companies continued to invest in research and modernisation, in particular during the crisis. We have made good progress with the measures that we have taken. This year the European Investment Bank has already approved projects for the car industry with a value of more than EUR 3 billion. Further projects with a total value of several billion euro are already being planned for 2009. These projects involve not only car manufacturers, but also suppliers to the car industry.

The European Investment Bank, which I would like to thank very much for its cooperation, is also working on a special programme for the medium-sized companies in the automotive supply industry which have been particularly hard hit by the crisis. We will be making EUR 1 billion available for a research partnership with industry in order to accelerate the move to a low-carbon, energy-efficient economy. This is needed in

order to put European industry in a good position for the period after the crisis, so that it can really benefit from the positive development which we are expecting then.

We can also do something on the demand side. A number of Member States have introduced scrappage incentives to stimulate demand. The Commission has laid down guidelines which the Member States must follow for the introduction of incentive programmes of this kind. This is aimed at ensuring that national measures do not have a discriminatory effect or interfere with the internal market. I am pleased to be able to tell you that this has been successful.

Of course, we also need to cushion ourselves from the effects of structural change, keep social costs to a minimum and retain skilled workers in the car industry. If the European automotive industry wants to remain competitive in the long term, some structural changes will be unavoidable. The process will be painful, but it is inevitable. We need a vigorous, competitive industry with significant employment potential, not companies which are permanently dependent on subsidies. The European Commission has made money available from the European Social Fund and the European Globalisation Adjustment Fund to support workers who are hardest hit by the temporary effects of the essential restructuring of the industry.

In April we will hold our first round table with representatives of the industry, the workforce and the Member States in order to discuss the social dimension of the crisis and our response to it. However, I would advise companies to provide vocational training now for their employees in order to improve their chances of finding jobs either in the car industry or in other sectors of the economy.

I would like to say something about the situation of a specific manufacturer, General Motors in Europe, which is made up of Opel, Vauxhall and Saab. I would like to repeat at this point that it is not in the interests of Europe to allow this company to go under. More than 200 000 jobs throughout Europe are dependent on the company. I am not of the opinion that the disappearance of General Motors production sites in Europe would help to solve the capacity problem in the European car industry and is therefore to be welcomed. The workers who are affected are not responsible for the crisis within their company. The crisis comes only from America.

There is no national solution to this problem. There is not even a European solution. There can only be a transatlantic solution which involves the parent company. Therefore, it is important for us to know what will happen in the United States. At the moment we do not know. Even the American Government does not yet know. I am pleased that all the European governments with General Motors sites in their countries have agreed not to go it alone, but instead to work together on the European part of the solution. The result of this solution can only be a successor company which is competitive and can survive on the market. In addition, it must be possible to provide economic as well as political justification for the solution. The jobs at General Motors in Europe are too important to allow them to be dragged into elections or the politics of national interest. This is why the Commission will continue to make every effort to find a European solution of this kind.

Finally, the Commission will also ensure that it does not impose any additional financial burdens that could be avoided on the car industry at this difficult time as part of its legislative programme.

The time for talking about the severity of the crisis has passed. We have in place a European plan with coordinated measures both at EU and at Member State level. It is now time to act and to implement these plans in full. Thank you very much.

**Werner Langen**, *on behalf of the PPE-DE Group*. – (DE) Mr President, I would like to thank Commissioner Verheugen very much for bringing up this subject and to congratulate him on his success in coordinating the European measures and preventing individual Member States from going it alone during a meeting of ministers on 13 March.

We have requested a debate on the basis of your written report because we believe that the crisis is so serious that the European Parliament must discuss it. We have drawn up a joint resolution which covers the most important points.

I would like to repeat some of what you have said. Of course, the rescue of an individual company can only be successful by taking into account the company's own responsibility – and the special circumstances of the General Motors case – together with the intellectual property rights and many other factors. Overall it is a very large industry. With a total of 12 million jobs dependent on the car industry, annual investments of EUR 20 billion, an annual turnover of EUR 780 billion and added value of EUR 140 billion, it is a very important industry, which has got into difficulties partly through its own fault – I am thinking here of the

overcapacity and the model policies of some manufacturers – but in general terms mainly because of the effects of the international crisis on the financial markets.

Therefore, we welcome the fact that all these collective measures are being taken. They should help to ensure that the car industry is more sustainable, to stimulate demand so that the industry can emerge from the crisis and to make it easier to provide investment and finance for buyers and for the industry. In addition, these measures, as you said at the end of your speech, should not bring about new legislative problems which would apply additional pressure to the competitiveness of the European car industry.

On this basis we can adopt the joint resolution. My group will vote in favour of the amendment from the Socialist Group in the European Parliament on paragraph 5, to refer specifically to the special case of General Motors, so that with a broad majority we can encourage the Commission to offer workers job security and to open up new prospects for the car industry.

**Robert Goebbels, on behalf of the PSE Group.** – (FR) Mr President, Commissioner, ladies and gentlemen, for the foreseeable future humanity will not be able to manage without cars or lorries. These means of transport must become less polluting and more energy efficient. However, even the best possible and most desirable organisation of public transport will never be able to replace the flexibility of individual means of transport.

The European automotive industry is the sector's world leader in technological terms. This cutting-edge industry must be protected. It is strategic for the whole of Europe's industrial fabric. Millions of jobs depend on it directly and indirectly. The Socialist Group in the European Parliament wants to protect jobs. It is calling for any potential restructuring to involve prior discussion with workers and their trade unions.

In the wake of what has been done for the banks, China has financed the modernisation and technological adaptation of the sector. In this respect, I completely agree with Mr Verheugen's remarks. Europe must face up to its responsibilities. Where necessary the European Investment Bank must be recapitalised so as to be able to aid the restructuring of the sector and its thousands of subcontractors, which are essentially SMEs.

We expect the Commission to continue organising constructive dialogue between all European countries in which there are sites belonging to US manufacturers and these firms. We also congratulate Mr Verheugen on the initiative he has taken with regard to this.

However, we must still provide for protection of European intellectual property and repatriate to Europe patents for inventions created in Europe, but currently kept in the United States. That is akin to aggravated theft or at the very least to expropriation without compensation. It is unthinkable that European sites should have to pay royalties in future for know-how developed by engineers and workers in Europe.

As regards the situation of General Motors, Mr President, the Socialist Group agrees with what Mr Verheugen has said in this House.

**Jorgo Chatzimarkakis, on behalf of the ALDE Group.** – (DE) Mr President, Commissioner Verheugen, once again we are meeting to discuss the subject of cars, and rightly so. This crisis has hit one of our key industries very hard. A total of 12 million jobs, 6% of the work force, the largest investor in research and development – this makes discussing the problem and finding solutions very much worthwhile. However, it has now become clear that the EU does not have suitable instruments available to deal with this crisis. The Member States are pressing ahead individually, the framework for competition has at times been put at risk and the European Investment Bank, the universal cure-all, is overstretched both in terms of its finances and its staff. Therefore, we need to find new approaches.

I am grateful to Commissioner Verheugen for adopting this framework directive very quickly in order to investigate how we should proceed in the context of competition law. However, the EIB needs to be better equipped. The EIB needs to be offered special conditions by the European Central Bank to allow it access to fresh capital, which is not currently permitted by law. It is also important that state aid is more closely linked to the paradigm shift towards new technologies and away from the internal combustion engine. In addition, funds, such as the Structural Funds and the agricultural funds, should be focused on developing stronger infrastructures for these new technologies.

I would like to look more closely at General Motors. I agree with the Commissioner and the previous speakers that this has a European dimension, because the company has sites in many of the Member States of the EU. The bottom line, however, is that the state, including the EU, should not intervene in the economy. The crisis has not changed this principle. Although the car industry is a strategic sector, it is not systemic in the same way as the banking industry. Therefore, we should avoid taking shareholdings in the car industry. However,

I believe that guarantees are the right approach, if there is a private investor to take on a guarantee via the EIB. This assumes that we are following the paradigm shift and moving into new technologies. Daimler and the Abu Dhabi Investment Authority have recently taken this type of step, so it should also be possible for us.

I would like to thank the Commissioner for taking such active measures. I would also like to thank my fellow Members for supporting the initiative involved in this resolution.

**Antonio Mussa**, *on behalf of the UEN Group*. – (IT) Mr President, ladies and gentlemen, the car crisis is one of the most serious in the global manufacturing industry because, aside from having grave economic and employment-related repercussions for European factories and allied companies, it is hitting third countries, to which production has increasingly been shifted over the past few decades.

Moreover, if the Union is to bring the industry's profits at least back up to what they were in 2007, it cannot sustain the social cost of around 350 000 job cuts. We should therefore welcome what is at least harmonised assistance for the sector, provided that it is in addition to job protection. The key words for European businesses must be cutting-edge research and development. It is clear that, as the market develops, recourse to mergers or strategic agreements is another possible route, but this must not be at the cost of Europe's car-making tradition, which is the jewel in the crown of the Community manufacturing industry.

**Rebecca Harms**, *on behalf of the Verts/ALE Group*. – (DE) Mr President, Commissioner, what concerns us most in this debate are the workers in the car industry. The figures are so huge that it is hard to imagine the scale of the problem. In your speech, Commissioner, you made one of the alarming issues very clear, which is that in contrast to this there are also the figures relating to the appalling levels of overproduction and the striking failure to innovate in the areas of efficiency and climate protection. If we are now prepared to give the car industry state aid, this must be dependent on the funding being used to secure jobs and to create sustainable employment. In addition, it must be conditional on these companies genuinely focusing on innovation.

Something which makes me a little suspicious, Commissioner, is the considerable influence of the CARS 21 group and the influence of the industry in the process which is being kick-started here. I am familiar with some German car companies and I am aware that they have been putting the brakes on when it comes to climate protection and efficiency.

I have also noticed with great interest that a new exemption was requested two weeks ago to suspend environmental requirements. This must not happen. The aid must be dependent on conditions such as the provision of jobs, genuine innovation, training and skills development for employees and this applies to suppliers, in other words, the many SMEs which depend on the large organisations, and to the workers in the car industry. My group would be happy with that. However, without these strict conditions, we will not be contributing to the creation of sustainable jobs.

**Roberto Musacchio**, *on behalf of the GUE/NGL Group*. – (IT) Mr President, ladies and gentlemen, this debate on the car industry is unfortunately too late in the day and also inadequate in content. In fact we are debating when decisions have already been made by the national governments outside any real European framework, and there have already been tragic social consequences in terms of unemployment and unemployment benefit.

Staying on this subject, the text of the resolution does not propose any fundamental elements for ensuring that the measures to be taken are effective and fair. I should like to point out that, a few months ago, when dealing with climate change, Europe acted very differently, treating it as a real political issue. It is not doing the same with the economic crisis. It has given a free rein to the governments which have acted in a disjointed manner and, I would say, also with an eye to winning votes.

This is of course due to the political weakness of the Barroso Commission, but also to the difficulties involved in tackling situations that call for new powers with decisions relating to industrial, social and employment policies.

Can we accommodate nationalist measures? Can we sustain a wave of redundancies when aid is being given to firms? Can relocations in the car industry and associated businesses continue to take place, as they have done in the case of the Italian firm ITONO and now with Indesit, which is in another fundamental sector? Can we extend the scope of the European funds without increasing them? On this basis, it is not enough to say that this is a car-industry problem and that so many meetings have taken place.

We need to set guidelines for action, by which I mean that firms must not lay people off when they are being given aid, that the aid must be linked to innovation as laid down in the climate-change package and the Sacconi regulation, and that relocations and competition between EU Member States must stop. My group has tabled amendments on all of these points. In other words we need a new policy, one that this Europe does not appear to have and one that we must create before social hardship becomes so severe that we cannot give our workers any definite answers.

**Sergej Kozlík (NI).** – (SK) The dramatic fall in global demand for cars has also affected Europe. In the final quarter of 2008, European car sales showed an annual decline of over 19% and they are still falling. Many of the key Member States of the European Union have decided to support the vehicle-manufacturing sector. However, doubts are appearing concerning the approaches that have been selected and drawn up, as they smell of protectionism. I therefore support the standpoint of the European Commission which is warning against protectionist measures in support of domestic producers. The call made by the Commission to resolve structural problems as a matter of priority is to the point, especially with regard to high overproduction and investments in innovative technologies.

All public sector support must be transparent and it must respect EU rules on competition and state aid. We must prevent rivalry over subsidies between the various players on the European market. The situation is made more difficult by the fact that these rules do not take account of global competition, particularly from the US. It is expected that US subsidies for resolving the problems of car producers will be extended to parts suppliers as well. If the situation becomes acute, Europe may face not only the issue of how to sort out production and sales problems in Europe, but also the problem of imported cars that have been produced with excessive state aid. In such a situation Europe could also threaten to enforce measures within a World Trade Organization framework.

Many European countries have introduced scrappage schemes and efforts in this direction have now begun in the UK. However, scrappage schemes can resolve the crisis only in the short-term. They quickly deform markets, drain money from the public purse and cause the postponement of necessary solutions that focus on investment in innovative technologies.

**Amalia Sartori, (PPE-DE).** – (IT) Mr President, ladies and gentlemen, I wished to speak on this matter also because, over the past few months, I have followed with great interest the work carried out within the European Parliament, within our committees and, now, in this Chamber, precisely on the requests for specific commitments that we have put to the car manufacturers of our continent.

We have set important targets, especially in relation to CO<sub>2</sub>, when we asked them to play a part in meeting the major targets Europe has set itself of reducing CO<sub>2</sub> over the new few years, ambitious targets which all the countries across the world are watching with great interest. We have asked the automotive industry to achieve an average reduction of 120 mg by 2012 and a further 25 mg reduction by 2020. These are substantial targets that require substantial investment.

We should add to this the fact, which has already been mentioned by some of my fellow Members, that the automotive industry directly or indirectly employs 12 million workers in Europe, that is, 6% of the European workforce. If Europe is serious about giving its car industries the means to meet the CO<sub>2</sub> targets we have set and if, on the other hand, we want to keep people in their jobs, which is a problem for our continent right now, then we need to implement a coordinated strategy for providing aid to this sector.

Various Member States are launching plans for boosting sales, which is all about maintaining the level of turnover of cars. However, such policies must form part of a single Community strategy for preventing dangerous market distortions.

**Hannes Swoboda (PSE).** – (DE) Mr President, I would like to state very clearly that I fully support everything that the Commissioner has said. In my country, Austria, many thousands of workers are directly or indirectly affected by the crisis. This also applies to our neighbour, Slovakia, and many other countries.

I am particularly concerned because, of course, it is clear that the car industry is a key industry. It should not be seen as an outdated industry, because a great deal of research and development is linked to the existence of the car industry in Europe. In addition, a large number of small and medium-sized supply companies are dependent on the car industry. We always visualise the very large companies and have little sympathy for them. However, when I look at all the suppliers, the small and medium-sized enterprises, the situation seems quite different.

In particular, I would like to reinforce what you have said, Commissioner, about General Motors. We have a large General Motors manufacturing site in Vienna. We are familiar with the fears of the people who are waiting to find out about the decision to be made in America. I hope that this will be a positive example of transatlantic cooperation in which America – because it is not the American Government, but America as a whole – which is always demanding that Europe does more to combat the crisis, sets a positive example, so that Europe has the opportunity to succeed with its own companies.

Finally, a word about protectionist measures. Only a common European solution will be acceptable. That must be our goal.

**Gianluca Susta (ALDE).** – (IT) Mr President, ladies and gentlemen, this is the third debate on the car industry that we have had in the space of a few months. Our demands have not yet been adequately met by the Commission or by the Council, either from the point of view of support for demand or in terms of external competition with appropriate support for exports.

While I regard the European measures for tackling the financial crisis as significant, I do believe, in contrast to what was concluded at the recent summit, that the European response to the recession and to the difficulties of the real economy is inadequate. We are at war, and our soldiers, which are our businesses, are firing blanks.

The automotive sector is a fundamental sector of our industry, subject to new requirements, to reorganised factors of production and to strong demands for process and product innovation. Incentives to coordinate the EU-wide scrapping of all types of protectionism; refinancing, including by the European Investment Bank, of credit lines targeted at this sector; incentives for environmentally friendly and hybrid cars only; more funds for research into clean engines; and effective action within the World Trade Organization to create conditions of real reciprocity within the global car market are the most significant requests of those who do not wish to encourage the deindustrialisation of Europe in one of its crucial high-added-value and employment sectors.

**Mario Borghezio (UEN).** – (IT) Mr President, ladies and gentlemen, Commissioner Verheugen has stressed the need to be very careful not to propose or support protectionist measures. I should like to remind him that, across the Atlantic, such measures are being taken and they obviously benefit European manufacturers' competitors.

I have the impression that the strategy pursued thus far by the European Union is not sufficiently targeted – as it should be in such a critical situation as this – at supporting only or mainly 'European' cars designed and built here in Europe. I have seen trade union representatives cry crocodile tears over deindustrialisation, relocation and so on. Years ago, when a person such as I upheld these arguments at the meeting even of a large Italian car manufacturer, they were not taken very seriously. Today, unfortunately, the facts prove us right.

If Europe limits itself to measures designed solely to boost demand, ones that can obviously be directed towards non-European producers also, it will not obtain the results we require. Rather, to obtain them, it must take urgent action to boost European car production. European producers must be encouraged to invest in research in order to guarantee the future of an industrial sector of excellence, one that also includes car-production ancillary companies, which today are also suffering from the European banks' policy of withholding funds.

**Ilda Figueiredo (GUE/NGL).** – (PT) We should not forget that last November we had exactly the same debate in this House, when it was already clear that we were facing a crisis in the capitalism system, which required fundamental changes to increase the purchasing power of the majority of the population. We therefore insisted on increasing wages and pensions to ensure a fairer distribution of income. This still remains the basic measure that could increase demand and thereby ensure that the car industry and its suppliers continue to have a secure market.

Unfortunately, the social situation is becoming increasingly complicated, because politicians are not adopting the necessary measures, and unemployment and precarious and poorly paid work are still on the rise. We therefore insist on new policies which prioritise jobs with rights, which support industrial production in the EU countries and which counteract the strategy of the multinationals that are using the crisis as a pretext to cut jobs, increase worker exploitation and boost profits. It is vital that EU industries are duly supported in order to maintain and create more jobs with rights. However, we also need to pay particular attention to countries with more fragile economies, such as Portugal, by increasing financial support to prevent

unemployment and to help micro-, small and medium-sized enterprises in the car industry, associated sectors and the parts industry and also small repair shops.

**Carl Lang (NI).** – (FR) Mr President, globalisation gone mad and its mad exponents are making European automotive workers pay a high price for the consequences of their fundamentalist open-market and free-trade order.

The financial virus of the US mortgage crisis has thus been able freely to contaminate the financial system, the world banking system, leading by extension to the contamination of our economic system and the destruction of our businesses and jobs.

As a Member, together with my colleague Mr Le Rachinel, for the French regions of Picardy, Nord-Pas de Calais and Normandy, in which thousands of jobs are doomed, I am anxious to tell you that European trade policies have a human and social cost that is unbearable, unjustifiable and unacceptable. However, the fanatics of the open market persist and sign up to this. Only today, Mr Brown and Mr Barroso reaffirmed their refusal to protect Europe, our industries and our jobs in the name of the all-important free market and globalisation. The socio-globalists of the left, the liberal globalists of the right and the alter-globalists of the extreme left who want to see and understand nothing are betraying and abandoning European workers.

Globalists all over the world unite! Workers of our countries disappear! That is the manifesto of the globalist party.

Moreover, the continuous harassment of motorists and the motor car by eco-citizens, governments and certain local councillors is scarcely compatible with the defence and promotion of our automotive industries.

Finally, the demagogues of the extreme left who see the current crisis as a godsend for the revolution are totally incapable of meeting the needs of French and European workers. It is through economic and social patriotism, national and European preference and national and European protection that we will be able to breathe new life into our industrial sectors.

**Gunnar Hökmark (PPE-DE).** - (SV) Mr President, the problems that the European car industry is facing are to a large extent a result of the economic and financial crisis. In that respect, it is hopefully a problem that will pass. However, in another very important respect, it is also a problem that has to do with overcapacity. Therefore, in order to safeguard the future of the European car industry, it is extremely important for us to ensure that it can be based on realistic and sensible business plans and have responsible ownership.

This prompts me to say that if we are to succeed in retaining a successful car industry in Europe with all the opportunities that entails for technical development, healthy employment and the role that the car industry plays in the European economy, the state aid that is currently granted by the Member States must be used to guarantee its survival through the recession and the financial crisis, but not to distort competition between Member States or between car manufacturers.

State aid that distorts competition and creates mistrust between Member States in actual fact jeopardises the European car industry's ability to survive, and this is the context in which I would like to put the question about what has now happened in Slovenia and France and the state aid that has been granted in France. One of the Commission's most important tasks is to ensure that there is no infringement of the rules that have been set out, to monitor what has happened and to create complete confidence in the fact that no state aid is granted to the detriment of any other Member State or any other car industry. Aid that leads to a distortion of competition undermines the future of the European car industry and will have negative consequences for both employment and technical development.

**Monica Giuntini (PSE).** – (IT) Mr President, ladies and gentlemen, first of all I should like to express my appreciation for the timely commitment made by the Commission and the Council in support of the car industry and ancillary and parts companies, but unfortunately it is still not enough.

Since the first measures were taken by the Member States, the sector has picked up slightly: data from Italy records an 18% drop in sales in February, while in January there was a 22% drop. Clearly, in view also of the data that Commissioner Verheugen himself was quoting, Europe needs to move forward by guaranteeing more finance from the EIB and even greater coordination of national measures to prevent unfair and discriminatory competition.



Europe also needs to try to coordinate its efforts closely with workers' representatives and trade associations when creating restructuring plans, so as to put together a European strategy for reviving the sector on the basis of investment in research and new technologies.

Also in light of the terrible data relating to redundancies and unemployment benefit measures, I call on the Commission to submit more effective proposals on the best use of the Social Fund and the Globalisation Adjustment Fund.

**Lena Ek (ALDE).** - (SV) Mr President, what we are experiencing now is both a financial crisis and a climate crisis. We can observe that there are some car companies that are coping better than others with this double crisis. Some makes and models of cars are coping better with these crises, namely those that have invested in sustainable technical development. Then there are companies like General Motors, which demand USD 350 million from the states in which they operate.

We must not throw good money after bad. We need to support those people engaged in the car industry. We should support the regions where there are problems and the small businesses within the supply chain, but we must ensure that we do this with products that are appropriate for the market of the future.

The Commission can do more by opening up the Structural Funds, the Social Fund, the regional funds and the agricultural fund, to biofuels, social measures and the regions.

Furthermore, I believe that the European Parliament's activity in Strasbourg should be discontinued.

**Roberta Angelilli (UEN).** - (IT) Mr President, ladies and gentlemen, the car industry is one of the key industries of the European economy and one that has a great deal at risk with the current crisis. Therefore now is not the time to repeat that we should be against protectionism and unfair competition. All that is terribly superfluous. Now is the time also to offer strategic, clear and courageous certainties to European producers and workers with – I wish to stress this point – a support plan that gives the same opportunities to all the Member States.

The objectives include, of course, guaranteeing better use of the European funds, including the Globalisation Adjustment Fund, but above all simplifying and increasing financial support for the sector through the EIB and the ECB, so that it can apply for low-interest loans, and also simplifying the administrative procedures.

To conclude, I would say that more generally, the aim is to keep the sector competitive and to ensure that all European initiatives, in addition to tackling the current crisis, can help to launch a positive phase of restructuring and transformation of the car industry.

**Ivo Belet (PPE-DE).** - (NL) Mr President, British Prime Minister Gordon Brown captured it perfectly this morning when he said that we must not bumble around, now is the time for action. It is indeed time for sustainable and robust action. We, Europe, must now take control of and lead the switchover to a sustainable automotive sector, something that is only possible if we guide the sector through this severe and life-threatening recession.

Hence this call, Commissioner Verheugen, to you and to the Commission. We really want Europe, all of us together, to do much more for the future of our car companies. We, as the European Union, have a unique opportunity here to show that we are on the side of the workers – of the 200 000 Opel workers in Germany, Poland, Austria, Spain and Belgium, to name just a few.

For that reason, quite specifically, the European Investment Bank must release credit and exploit its leverage functions and potential to the maximum extent. Two weeks ago, we had a consultation with the upper echelons of the sector here in Parliament and it became clear that there is one huge problem: the sector is suffering from an acute shortage of capital. That is why cheap loans and state guarantees are absolutely necessary, not only for survival, but above all in order to unflinchingly make the switchover to the car of the future, a car which is to be electric, hybrid and, most importantly, environmentally friendly, and which is ready to go into production.

The social partners, and certainly the employees' representatives, must be closely involved in this European recovery plan, as this issue is also a litmus test for social dialogue at European level.

Commissioner Verheugen, it is not too late for action. Please, let us not allow the situation to go to the dogs.

**Matthias Groote (PSE).** - (DE) Mr President, ladies and gentlemen, I would like first of all to thank the Commissioner for his speech, but also for his bold actions over the last few weeks and months concerning

the car industry and his clear statement that a solution must be found for General Motors, because the company is needed, in particular in relation to the strategy on new drive systems. I would like to thank him very sincerely.

I would also like to pick up on what Mr Langen said about the Group of the European People's Party (Christian Democrats) and European Democrats supporting our group's amendment, because I believe this to be important and also the right thing to do. I am grateful that we as a Parliament are making a statement on General Motors. For a long time it looked as if this would not happen, but better late than never. Thank you very much.

In our resolution we have discussed short-term measures. However, we should also speak about medium-term measures, as the CARS 21 group of experts has done, and about harmonising car tax rates. I know that this is a difficult task, but it would represent a European economic recovery plan for the car industry. We are in a time of crisis and we should start these measures now. The 27 finance ministers should make a joint effort.

**Mia De Vits (PSE).** – (NL) Mr President, Commissioner, you yourself already said that we cannot have a debate about the motor industry without also saying something today about General Motors.

We welcome the fact that you brought Europe's ministers for economic affairs together to find a European approach. That is also what you, personally, would like to see – a European approach rather than a national one – yet such a European approach is also only possible if you involve the European Works Council in the debate and if that European Works Council is given all the information the law stipulates it should receive. I am therefore going to ask you quite explicitly whether you are prepared to launch an initiative of that nature and to pass on the information possessed by each of the Member States separately, provided to them by General Motors, to the European Works Council.

Secondly, you referred to the European funds that serve to relieve the social impact on workers. It is my belief that these funds must also be used in a preventative manner. We must prevent job losses rather than simply using these European funds where jobs are lost.

**Richard Howitt (PSE).** – Mr President, on behalf of the 350 Ford workers being made redundant at Warley and Dunton in Essex, and on behalf of the 1 400 General Motors workers at IBC vans in Luton – double if you count suppliers – I want to welcome tonight's announcements that these car manufacturers will not be allowed to go down.

However, when Commissioner Verheugen says that General Motors must not follow a 'beggar my neighbour' policy, can he join with me in asking them four questions: firstly, to fully disclose their restructuring plans, not simply to the German Government but to the British and other Member State Governments too; to complete a full environmental impact statement on the carbon impact of the EUR 3.3 billion package they propose; to bring clarity to the future of their joint venture with the French company Renault for van production in Luton, in particular; and to outline to you and to us what guarantees exist that a subsidy in the short term will secure production and employment which are genuinely sustainable?

Last week I met the Luton workers, one of whom told me that IBC's chances of survival are just 50/50, in a town which has had vehicle production for more than 80 years, and where 50% of jobs are still in manufacturing. I will fight for the future of their jobs.

#### IN THE CHAIR: Diana WALLIS

*Vice-President*

**Antolín Sánchez Presedo (PSE).** – (ES) Madam President, Europe must firmly back the car industry as it is key to developing a technologically advanced economy, which can lead the fight against climate change and ensure high standards of efficiency, safety and quality in personal and goods transport.

The EU is the world's leading producer of cars and the second largest manufacturer of lorries, with 19 million vehicles, of which 20% are exported. The sector accounts for 3% of GDP, 6% of employment, 8% of national incomes and one-sixth of household expenditure.

The structural and strategic challenges for the car industry have increased with the current crisis. We must tackle these challenges with a European, sectoral and forward-looking approach and through social consultation. Only in this way can we prioritise employment and training, prevent discrimination and unfair competition and defend European interests at world level. In the short term, we must provide temporary

incentives and financial support, through the European Investment Bank or other means, to ensure the survival and recovery of the sector.

**Nicodim Bulzesc (PPE-DE).** – (RO) In Romania car sales fell by half by the end of 2008. The turnover for Romania's car industry saw a 7% reduction in 2008 in relation to the estimated level before the crisis started.

In view of this economic downturn affecting the whole of Europe, I believe that national governments and the European Commission must join efforts to support the car industry. We must take into account that slowing down car production triggers a crisis vertically in the industry, in other words, affecting the manufacturers dependent on the car industry: manufacturers of cables, engines, electrical equipment and so on. In specific terms, it results in thousands of workers becoming unemployed.

For example, to support the local car industry, the Romanian Government has adopted the 'Rabla' programme. Under this programme, consumers are compensated for taking cars more than 10 years old to be scrapped with a premium which will be used as a down payment for purchasing a new car.

I therefore invite decision makers to reflect on this example and propose a viable strategy for supporting the European car industry during the current global economic crisis.

**Inés Ayala Sender (PSE).** – (ES) Madam President, I must thank the Commissioner for his willingness and efficiency in inviting all the interested parties to prevent and solve the problems of Opel Europa, and also the car industry, which is certainly a competitive industry, faced with the global problems of General Motors in the United States.

Furthermore, I strongly urge him to make this rescue – which is giving fresh impetus to the recovery of Opel Europa – into an example of how the European Union can tackle the misery caused by globalisation, with the necessary response that we have also learnt from globalisation, through a European approach.

As a result, I should like us to be able, first of all, to repatriate the rights of ownership over European innovation. We also need a system of adequate guarantees to give Opel Europa the independence that it needs to continue offering us ever safer, more innovative, more energy-saving and more sustainable cars.

We also need to increase social dialogue, by empowering the Opel trade unions and the European Works Council, which are demonstrating a great deal of joint responsibility.

Finally, Commissioner, I believe that, in order to defend the European approach, we also need to get there first. In other words, to ensure that Europe enjoys credibility and success, we cannot wait for governments like mine, in Aragón, which has already offered a guarantee of EUR 200 million. Europe still seems to be thinking about it.

On behalf of the 7 000-plus workers at Opel's Figueruelas plant, I ask you to please do more.

**Reinhard Rack (PPE-DE).** – (DE) Madam President, if Europe provides money and, in particular, if the Member States provide a lot of money to help the car industry out of its crisis, it cannot only be a question of maintaining the status quo and preventing bankruptcies, because a number of other concerns are involved. The most important of these have already been mentioned.

This is about ensuring that people who are looking for jobs and who need jobs can find them in the long term. Therefore, we must provide more support for new technologies, innovation and, most importantly, for sustainable transport systems than we have done in the past.

For this reason, we should link all our measures to these objectives, so that we do not have to reproach ourselves in a few years time with the fact that, if we had thought about this years ago, we would not be in the next new crisis.

**Zuzana Roithová (PPE-DE).** – (CS) Ladies and gentlemen, the crisis is a test of EU cohesion. Unfortunately, governments are adopting short-term measures on an individual basis, such as the scrappage schemes which are not coordinated, although they have brought instant positive results to combat the crisis. If we are to criticise US measures against fair competition and protectionism, we should focus all the more closely on joint strategy within the EU. Scrappage schemes help to reduce emissions, increase road safety and prevent unemployment in the car industry, which provides a living to 12 million employees and thousands of firms in other sectors. Given that we imposed tough environmental and safety requirements on the automobile industry in CARS 21, scrappage schemes offer a good opportunity for a joint approach by European

governments, especially at a time of crisis, and they should be financed from common resources. I am asking the Czech Presidency to begin negotiations on this matter.

**Alojz Peterle (PPE-DE).** - (SL) Commissioner, I totally agree with you when you say that the car industry is structurally overheated and that we need greener and more energy-efficient cars.

We would be making a mistake if we tried to maintain with aid measures the direction we have taken hitherto, namely that of quantitative development. We will be most socially minded and show the greatest solidarity if we support ecology and energy-orientated restructuring.

The current crisis has also shown that the European car industry is strongly interconnected. This kind of industry will simply not tolerate protectionism on a national level. I expect Community policy to take account of that.

**Günter Verheugen, Vice-President of the Commission.** - (DE) Madam President, ladies and gentlemen, I would like to thank you first of all for the unity in this House and for your broad support for the Commission's policy. I believe that it is very important and also a very important signal to the workers in the car industry who are at the centre of this debate. This is only right and proper.

Some Members, including Mrs Harms, Mr Hökmark and others, have looked at the question of the link between innovation and competitiveness. Once again I would like to emphasise very clearly that without this link with innovation the European car industry will not be competitive in the long term. The goal of our policy is to ensure that the European car of the future is the most innovative, in other words, the cleanest, most energy-efficient and safest, in the world. I have confidence that our manufacturers, our technical specialists and our engineers can achieve this. We have the potential to achieve this.

I would like to move on to a second subject, in other words, financing in the crisis. The banks are not providing funds. Companies are not able to obtain the loans that they need. The European Investment Bank is now our all-purpose tool. I must state quite clearly that the European Investment Bank has already reached the limits of what it is able to do. The car industry is not the only sector which we are asking the EIB to help with. What about finance for small and medium-sized enterprises? What about finance for our highly ambitious climate-protection objectives? All of this is being provided by the EIB. I know now that we will receive requests from industry which the EIB simply will not be able to respond to, because we want it to do business on a sound basis and not to create bubbles, as others have done. Therefore, the problems are likely to increase in the second half of the year and we must prepare for this to happen.

I also support everyone who has said that we need intelligent incentives to ensure that all the cars which we want to come onto the market are actually bought. I very much share Mr Groote's opinion on CO<sub>2</sub>-based vehicle tax. The Commission proposed this a long time ago and I am very sad that some Member States did not follow this proposal at the time.

Mrs De Vits spoke about the role of the trade unions and the works councils. I am very pleased to be able to inform you that the last detailed discussion which I had before coming to this session was with the Chairman of the works council of General Motors in Europe. We are in constant, regular contact and exchange all the information that we have. I must say that until now I have benefited more from this exchange of information than the Chairman of the works council. I find out more from him than he does from me. However, I hope to be able to return the favour in future. In a few days, we will be meeting with the European metal-working unions and automotive unions and, of course, the unions are the main parties involved in the round-table meetings, which I have already mentioned. Therefore, I believe that we have met all the requirements.

In the 'catch-the-eye' procedure there were several references to scrappage incentives. We do need to ask ourselves whether this will really help in the long term. It could also be the case that we are creating artificial demand which will lead to another collapse. Nevertheless, all the manufacturers were impressed by this idea because it will help them through the very difficult phase which they are in at the moment. It is like a supply of oxygen and it has helped significantly to ensure that there have as yet been no mass redundancies among the major manufacturers in Europe and that they have been able to retain their workforces. In this respect, I believe that it has fulfilled its purpose.

The scrappage incentive is a standard European initiative, in the sense that clear rules are in place which everyone has observed. It goes without saying that we cannot finance the incentive from the Community budget. The budget is not intended for this purpose and this would not be possible either in political or legal terms. The incentives have also had a positive cross-border impact. Mrs Roithová, your country in particular

has benefited very much from the generous incentive schemes in other European Member States. There is a certain amount of European solidarity involved here, which should not be underestimated.

I have seen this debate as a call to continue to take action on this issue and to stay on the ball. I can promise you that we will do so. As far as the car industry is concerned, we have established excellent cooperation among the different parties. I hope that it will not be necessary to debate the European car industry again during the term of office of this Parliament, but if it should be necessary, the Commission is ready to do so at any time. Thank you very much.

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

The vote will take place tomorrow (Wednesday, 25 March 2009).

#### **Written statements (Rule 142)**

**Zita Gurmai (PSE), in writing.** – (HU) The distinctive characteristics of production and marketing mean that any downturn in the European automotive industry has an effect on other sectors in every Member State.

In addition to the fall in demand due to the economic crisis and the liquidity problems resulting from the financial crisis, the automotive industry is also struggling with long-term structural problems: high fixed costs, oversupply and price competition have meant that many car manufacturers had already begun to focus on cutting costs and increasing internal efficiency.

The situation is not expected to improve in the near future, yet over the long term the car industry has promising global prospects, and for this reason it is especially important for the EU car industry to be able to survive this setback and be ready to take advantage of opportunities when demand begins to increase once again.

To this end, it is indispensable that consumer expectations be met and that more environmentally friendly, safer and smarter vehicles be designed.

The primary responsibility for handling the crisis rests on the industry itself. The EU and Member States can contribute to this by helping to create appropriate conditions and suitable prerequisites for competition. Targeted and temporary state aid at EU and national levels can supplement the efforts of the sector to survive the crisis, and can help mitigate the negative effects of the impending restructuring on employment. The latter must be the subject of particular attention at both national and EU levels.

**Krzysztof Hołowczyc (PPE-DE), in writing.** – (PL) It is good that the second debate on the crisis in the automotive industry acknowledges the motions of the European Parliament which were presented during the debate in February.

Ensuring the competitiveness of the single market is most important for us. We notice with unease measures being attempted by some Member States which may result in violation of the principles of competition. Therefore we welcome decisions which aim to establish pan-European frameworks of action. In this context we must also continue to assess the influence on the European market of the situation in the industry in the United States and Asia and possible reactions of the Community.

We are pleased to note the fact that the importance of stimulating market demand has been emphasised. Balancing such measures as making low-interest loans available and simplifying administrative procedures for obtaining financial resources, and on the other hand creating incentives for consumers to buy new cars, can help to stimulate the market.

The proposal to use the crisis to carry out a kind of ‘cleansing’ in the automotive industry remains unchanged. We see the possibility of creating products with a new level of quality, based on new, environmentally friendly and safe technologies which are an answer to the challenges of new trends in 21st-century Europe.

**Daciana Octavia Sârbu (PSE), in writing.** – (RO) The car manufacturing industry is a sector which employs roughly 2.3 million workers and on which another 10 million jobs are indirectly dependent. A large number of SMEs, subcontractors and suppliers are affected by the financial crisis.

Social Europe assigns the same level of importance to economic development and social development. To be able to preserve jobs and a decent living for employees in the car manufacturing industry, it is important for companies to have access to finances.

I urge the Commission to make sure that European funds, such as the European Social Fund and the European Globalisation Adjustment Fund, will be used so that employees in the car manufacturing industry can receive training and support when they are affected by the companies in this sector experiencing a drop in activity.

The legislation adopted by the EU on promoting green vehicles is generating investments in the design and production of cars with lower carbon dioxide emission rates. However, what is needed is time, innovation and, above all, significant investment in human resources, as well as in new production capacity. The procedures giving economic agents access to funds for research and innovation must be simplified at national and European level, while research programmes must be geared towards specific areas, involving applied research, in the car manufacturing industry.

## **12. The performance and sustainability of the European aviation system - Aerodromes, air traffic management and air navigation services (debate)**

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

– the report by Marian-Jean Marinescu, on behalf of the Committee on Transport and Tourism, on the proposal for a regulation of the European Parliament and of the Council amending Regulations (EC) No 549/2004, (EC) No 550/2004, (EC) No 551/2004 and (EC) No 552/2004 in order to improve the performance and sustainability of the European aviation system (COM(2008)0388 - C6-0250/2008 - 2008/0127(COD)) (A6-0002/2009), and

– the report by Marian-Jean Marinescu, on behalf of the Committee on Transport and Tourism, on the proposal for a regulation of the European Parliament and of the Council amending Regulation (EC) No 216/2008 in the field of aerodromes, air traffic management and air navigation services and repealing Council Directive 2006/23/EEC (COM(2008)0390 - C6-0251/2008 - 2008/0128(COD)) (A6-0515/2008).

**Marian-Jean Marinescu, rapporteur.** – (RO) The Single European Sky II package is designed for the entire air transport system, with direct, positive ramifications for airlines, air navigation service providers, traffic controllers, airports and the aeronautical industry. It is actually the legislator's response to the need to harmonise and make European airspace and air traffic more efficient for the benefit of the environment, industry and, first and foremost, passengers.

The agreement reached with the Council on the SES II package is a step forward for us on the road to consolidating the European Union. This is the next natural step after a common market, adopting a single currency and creating the Schengen area. From 2012 we will have a Schengen airspace. Routes will be shorter, traffic control more efficient and air navigation services will be optimised and, in the future, integrated.

As a result, flights will be shorter, less fuel will be used and carbon dioxide emissions will be lower, which should normally lead to a reduction in airline ticket prices.

The compromise reached following the negotiations with the Council reflects the need to speed up the formation of functional airspace blocks. We have reached agreement on a deadline for putting FABs into operation, which is six months ahead of the European Commission's initial proposal.

The operation of FABs is the main element in creating a single European sky. This is why I welcome the agreement signed in November last year for the largest FAB, which covers Central Europe.

I would like to take this opportunity to call on the European Commission's support in approving the project linked to the Danube Romania-Bulgaria FAB as part of the TEN-T financial framework.

With the support of the representatives of the French and Czech Presidencies, whom I would like to take this opportunity to thank, we successfully managed to balance the decision-making relations and skills between the Member States and European Commission, particularly with regard to the performance scheme, a key element in the SES II package.

The Commission will make the decision concerning the proper harmonisation and implementation of the targets covered in the national performance plans.

The Commission's initial proposal has been supplemented by two elements introduced by Parliament. The first of these is the Functional Airspace Block System Coordinator. We considered it necessary, based on the TEN-T model, to appoint a coordinator to facilitate the signing of FAB operation agreements, thereby

accelerating the process of achieving a single European sky. The second element relates to the clarification of the 'common projects' concept and the definition of the financing sources relating to them.

The European Parliament also managed to have special attention focused on the human factor. The compromise reached with the Council also clarifies the interdependencies between SES II and EASA, bearing in mind that extending the Agency's powers at aerodromes, ATM/ANS and ATC is actually the 'safety' element in the package.

I think that it is extremely important for a clear, complete definition to be found for aerodromes which come under the provisions of this regulation.

The new specifications issued by EASA must integrate with the existing ones. In addition, the opportunity has been given to mention the derogations granted so far. I also succeeded in introducing some provisions referring to the need to strengthen and extend the consultation process involving all stakeholders.

The reports which will be voted on tomorrow mark an important step forward on the path to creating a single European sky, and I am sure that they will be a success and a triumph for all stakeholders.

**Antonio Tajani**, *Vice-President of the Commission*. – (IT) Madam President, honourable Members, on the eve of the European elections and two weeks away from the adoption of the third maritime package, the European institutions are about to send another positive signal to EU citizens, demonstrating that, at this time of crisis in particular, the Commission, Parliament and the Council are on the side of the citizens, are capable of tackling a difficult crisis and are capable of providing practical answers.

The single European sky reform is an important signal that will have consequences for industry and for citizens and that will reduce environmental pollution. The data that we have on the difficulties being faced by the air transport sector are well known – other data have arrived today and I shall list them during my answer – and therefore we have shown that we can react to a crisis, and this is definitely a positive thing, as it makes Europeans realise that the institutions exist and that they are capable of facing up to difficulties.

For this reason I should like to thank Parliament for the speed with which it has adopted this decision. I am grateful to Mr Marinescu, with whom I have a long-standing friendship forged by our working together, side by side, in Parliament – I know his abilities, which he has been able to show once again by working alongside the Commission and producing an important result in a very short amount of time – and, with him, I should also like to thank all the shadow rapporteurs, who have enabled the institutions once again to support the people of Europe.

This has certainly been a major commitment and one that, I repeat, constitutes an effective response. Air transport is in fact waiting for practical and tangible measures that will enable the requirements not only of carriers, but above all of passengers, to be met. To this end I have insisted on the introduction of a service regulator, to ensure that monopolies do not hinder service quality. Furthermore, the swift introduction of an air traffic network manager, in addition to facilitating the deployment of national systems, may set an example for all modes of transport, but also for the telecommunication and energy sectors.

I should like to point out the support offered by Parliament to the Commission with regard to the development of a new instrument for financing cross-border infrastructure projects, stemming from, among other things, the SESAR programme. Parliament has understood the importance of the partnership and has reaffirmed the important role performed by operators in terms of implementing this ambitious approach.

I am pleased to see Parliament joining with the Commission in recognising, through a joint declaration, the importance to be attached to the human factor. In particular, Parliament has given its backing to strengthening the position of the military through the creation of the single sky, and this is a position that I fully support, not least because, for a time, I was a military air defence controller, and so I cannot fail to understand the important role that military controllers perform in the air traffic sector. I would cite, by way of example, operations rooms that I have visited, where civilian operators and military operators work side by side to guarantee the safety of air transport.

The joint declaration, which I support, stipulates that the Commission must affirm the need to take human factors duly into account in order effectively to implement the single European sky regulations, must be convinced that safety can never be taken for granted and must recognise the need to further strengthen the culture of safety, in particular by integrating a reliable accident alerting and just culture system, so as to learn from accidents that take place.

The Commission declares that it will build the service model on the basis of a genuine culture of safety, integrating an effective accident alerting and just culture system as a basis for safety provision. It will ensure that professionals responsible for guaranteeing safety have a sufficient level of skill, and it will promote the involvement of staff representatives in the creation of the single European sky at national, functional-airspace-block and Community level. It will assess the integration of human factors in the creation of the single European sky no later than 2012.

To conclude, for the first time every aspect of the entire aviation sector will be dealt with. Thanks to this new approach, safety of movements on the ground in airports, in air corridors and during landing and take-off will be handled by a single body.

This is therefore the start of a new phase for the Aviation Safety Agency. Such a swift adoption of the package – and I thank you once again – demonstrates the strong political will that exists at European level to realise the great ideas of an important predecessor of mine, who is sadly no longer with us: Loyola De Palacio. She wanted a real single sky for the benefit of European citizens. Today we have been able to realise this reform.

**Teresa Riera Madurell**, *draftsman of the opinion of the Committee on Industry, Research and Energy*. – (ES) Madam President, the Committee on Industry, Research and Energy regards the Commission proposal as positive, as it solves the shortcomings of the first package with regard to coherence, effectiveness, cost reduction and improved management.

The main contributions of the Committee on Industry relate to financing. The ATM Master Plan requires huge resources, which is why it must be possible to use public financing where necessary, and the initial investment should not be pre-financed by users.

They also relate to the role of Eurocontrol, which we believe needs to be completely overhauled in order to ensure its good governance and control over the provision of services. As regards the privatisation of services, I still think it is more efficient to carry out a prospective study, without any preconceived idea, and to decide according to the result.

Lastly, I would highlight once again that building the single sky is fundamental to making progress towards the Kyoto targets and that, as a Spaniard, I am satisfied that the error that arose regarding Gibraltar has been rectified.

I also want to thank the Commission for its excellent cooperation, and the services of the Committee on Industry and my parliamentary group for their invaluable help.

**Georg Jarzembowski**, *on behalf of the PPE-DE Group*. – (DE) Madam President, Mr Tajani, ladies and gentlemen, we should all be very grateful to Mr Marinescu. In a very short time, he has succeeded in coming to an agreement with the European Council with the support of the Vice-President of the Commission. This second package of legislation will allow us to manage our airspace more efficiently in the years to come. It will also enable the airlines and in the end the consumers to save up to EUR 3 billion and to cut CO<sub>2</sub> emissions by up to 12%. These are important objectives in terms of costs, the consumer and the environment, which are now within our grasp.

In the first of the two regulations, the Member States undertake finally to do what they should have done years ago, which is to establish functional airspace blocks within a short time. These blocks of airspace, which are no longer divided up along national boundaries, but instead according to functional flows of air traffic, will allow airspace to be managed more efficiently and more safely and will help to prevent unnecessary holding stacks in the sky.

I am very grateful for the Commission's support and for the rapporteur's determination to appoint a European coordinator for the functional airspace blocks, because we will have problems in ensuring that the Member States really do establish these new blocks. It is important that a coordinator working on behalf of Parliament and the Commission will be able to press for these new blocks to be created.

It is also important that military airspace management is integrated into this system and that we have a genuine master plan for the single European sky, which applies and implements the technological results of the air traffic control research project SESAR. Finally, it is also important for us that the European Aviation Safety Agency is given the task of implementing the standards and management activities for airports, air traffic management and air navigation services. This organisation must be provided with the staff and equipment it needs in good time. We are very much in favour, and I hope that the Commission will support



us in this, of the EASA consulting with the relevant areas of industry with regard to practical solutions in all its new activities, so that really effective solutions can be found.

**Ulrich Stockmann**, *on behalf of the PSE Group*. – (DE) Madam President, Commissioner, I know of a song which contains the line ‘There must be unlimited freedom in the sky’. This is simply not true. The European sky consists of a patchwork of 60 national control centres. This is twice as many as in the USA, but with half the amount of air traffic. In addition, military no-fly zones prevent planes from flying in a straight line from one airport to another. This is not sustainable, particularly in the light of the fact that the volume of air traffic doubles every 10 to 15 years. When the amount of traffic doubles, the safety risk increases fourfold.

This led us in 2004 to initiate the single European sky concept. Unfortunately the Council of Ministers insisted at the time that Member States should agree among themselves which airspace blocks should be created. This was a mistake, because the Member States have now wasted a great deal of time and become bogged down in issues of national competence.

Now the Parliament and a good rapporteur have put in place a regulation with clear objectives and ground rules for the introduction of these airspace blocks by 2012. This makes a contribution to safety, to climate protection and to reducing the costs of air traffic. Flights which are 50 kilometres shorter, a 12% cut in CO<sub>2</sub> emissions, savings of EUR 3 billion for the airlines and fewer delays for passengers. In brief, I hope that this sectoral reform in the sky will finally be successful and will take us a step further.

**Nathalie Griesbeck**, *on behalf of the ALDE Group*. – (FR) Madam President, Commissioner, ladies and gentlemen, it is my turn to express my delight at this report on the single European sky. It is a real step forward, which many of us welcome.

These two regulations meet high expectations on the part of all the actors concerned in all the countries of the Union, since the excessive fragmentation of the current system has very costly effects and, above all, causes serious inefficiencies in terms of traffic management.

Thanks to this new European sky, aeroplanes will gradually abandon the non-linear flight paths that they are currently forced to use to follow flight paths that are more direct and consequently more efficient and, above all, cheaper for travellers.

I am genuinely delighted that this will allow a reduction in air transport’s environmental impact, of course, and in its cost to the consumer.

Together with the harmonisation of safety standards, this also constitutes a very beneficial step forward. It will be able to simultaneously make air transport safer and quicker, of course, but also, and above all, less polluting and less expensive.

On behalf of the Group of the Alliance of Liberals and Democrats for Europe, I would however call on the Commission to make available financial resources, in particular, and logically the funds for the trans-European networks, but also contributions from the European Investment Bank, to finance all common flagship projects aimed at improving European air navigation.

I believe that, once again, Parliament has successfully overcome its divisions in order to go forward and provide the impetus for the Council to reach a swift agreement on this report, which is essential for European aviation and the reduction of its environmental impact. I, together with the Commissioner, am also delighted that this sends out a concrete, tangible signal to our fellow citizens.

**Roberts Zile**, *on behalf of the UEN Group*. – (LV) Thank you, Madam President. I welcome the fact that the new legislative provisions will unite air traffic management technologies and make progress towards a combined functional air space block system, thus reducing the fragmentation of European Union air traffic. As a result, more effective planning of air traffic routes will reduce fuel consumption and harmful emissions, and air transport will thus become more environmentally friendly. In relation to the discriminatory and unlawful payments, however, that Russia collects from European Union carriers for flights over Siberia, we were unfortunately not able to provide the European Commission with a mechanism that would make its position in the talks with Russia on this point adequate. In my view, however, in one way or another the European Union will have to have this mechanism at its disposal, in order to influence situations where a non-EU country discriminates against European Union carriers; the principle of such a mechanism is, in fact, none other than mutual equality, so that task remains for us to accomplish. Thank you.

**Eva Lichtenberger**, *on behalf of the Verts/ALE Group*. – (DE) Madam President, firstly I would like to thank the rapporteur who has entered into these negotiations with a great deal of commitment and expert knowledge. These negotiations were necessary, as although the boundaries in the sky are not visible, they are clearly present. They were primarily national boundaries, which, it must be said, were based on national egoism and which have helped to prevent the unification of the European airspace.

In light of the speed of travel, the safety requirements and the huge growth in air traffic, it should have been possible to introduce these improvements much earlier, especially as the concept of airspace blocks has been under discussion and negotiation since 2004. I believe that we can now make significant progress in this area. It is not only a question of improving the flight paths, increasing passengers' comfort and improving calculability; it will also, if it is implemented effectively, result in a reduction in emissions. We urgently need this reduction in air traffic emissions, because the volume of air traffic is growing so much and because our air traffic emissions trading system has not been very effective.

The Council has opposed this right until the end. Its opposition was not as successful as it had hoped and therefore even I can vote in favour of this report.

**Michael Henry Nattrass**, *on behalf of the IND/DEM Group*. – Madam President, in this building there is an insatiable demand for power and control – levels of control which previously only the USSR would have dreamt of. EU controls that kill innovation and EU power to distort market demand, flying in the face of what the voters expect. Now even the sky is not the limit.

Under the excuse of efficiency, the EU – one of the most inefficient bureaucracies in the world – wants to control efficiency in the sky. The EU seeks to put obstacles in the way of innovation from free-marketeers such as Easyjet and Ryanair because they please the public, and we know how the EU ignores the public. The EU wants a functional air space block system coordinator: a fancy title for a dictator ruling over air traffic control, airports and also industry.

This is the same kind of over-control that eventually sent the USSR into oblivion, but all for the sake of flying whose flag? This is all about EU flag-waving. It is not to satisfy the public and has nothing to do with demand. Success depends on efficiency and meeting demand as can only be achieved in the free market – not by damaging EU controls, not with EU lack of understanding and not with EU lack of expertise as displayed in this building.

Let us resurrect efficiency by allowing the supply to feed the demand and allowing innovation. This is not the business of the EU. Please vote against.

**Luca Romagnoli (NI)**. – (IT) Madam President, Commissioner, ladies and gentlemen, I welcome the creation of the single European sky, and I am reasonably certain that it will improve efficiency and safety, and also reduce the environmental impact of aviation.

Moreover, I should like to point out that Italy has already launched 'Blue MED' with Cyprus, Greece and Malta. This is a functional airspace block that improves flight efficiency and enables costs to be reduced precisely by eliminating the fragmentation of the skies across a large section of the Mediterranean. In short, when the aim is to increase transparency – I am addressing this point to the Member who spoke before me – and types of incentive are introduced that make services more efficient, we cannot fail to say that we are satisfied.

To conclude, I also welcome the objective of optimising airport management. I therefore hope that something is done soon to improve airport passenger services which, as in the case of Rome airport, are often unsatisfactory. I would like to thank Mr Marinescu for his excellent report and the Commission for its initiative.

**Reinhard Rack (PPE-DE)**. – (DE) Madam President, both of the reports by Mr Marinescu concern improving the organisation of air traffic in Europe. We have managed to achieve a great deal in a first reading agreement, not least because of the important and successful work of the rapporteur. This is important, particularly at a time when the airline industry in Europe and worldwide is in a difficult situation.

However, we should not only be concerned about improving functionality here and now in the current crisis. We should also continue to focus on important issues from the past. These include passenger rights. Before the crisis of 11 September, we drew up a passenger regulation on the subject of denied boarding and delays, in which we deliberately used the airline industry's need for protection as our standard and not the passengers'

need for protection. The airlines have blatantly exploited this in the current situation: the crisis, plus bad winter weather conditions. Their behaviour has been shameful.

My next point concerns liquids. Many things are changing in the skies at the moment, but the old regulation on liquids still remains in place. It does not make anyone safer. It provides a few people with employment in the security checks at airports. It annoys a lot of people and as has already been said, except for an alibi, it has produced no results. Mr Tajani, you and your predecessor have assured us that this ridiculous regulation will be abolished after checks have been made to show that it does not bring any additional safety benefits. We are waiting impatiently for the regulation to be abolished.

**Jörg Leichtfried (PSE).** – (DE) Madam President, it is not simply the case nowadays that aircraft fly across national borders. Although the people up on the right, who may not exactly be saying ridiculous things, but are hiding behind their beautiful flags, do not seem to have understood, it is the case that the European airspace is fully deregulated and in this situation it is essential that this deregulated airspace should be centrally managed, centrally monitored and centrally implemented. These two reports represent the right way of achieving this.

It is essential that flights in Europe should be better coordinated. It is also essential that the same high safety standards apply everywhere and I am convinced that the path that we are taking here is the right one. As a result of our current airspace blocks, there are too many flights, which are too long and have very circuitous routes. In addition, CO<sub>2</sub> emissions are much too high and the airlines are subject to enormous costs. All this will be changed and improved by the regulation which we will adopt tomorrow.

I would like to take this opportunity to thank the rapporteur, Mr Marinescu, for all his excellent work. I think we have worked together to achieve something very positive for the people of Europe. That is what we are here for.

**Robert Evans (PSE).** – Madam President, Mr Tajani said at the beginning of the debate that this sends a good signal to Europe's citizens. I agree, and that is the purpose of our work.

I want to refer particularly to aerodromes because it is important that we bring these establishments under the umbrella of sensible European legislation. I think it is sensible, as it is protecting the citizen, and we do so by extending EASA's remit.

There are, however, a few areas where I would seek a little bit of clarification. I think it is correct that we eliminate small aerodromes just serving the recreational or leisure aspects of flying and take them outside the scope. Amendment 44 tabled by Mr Marinescu and others is important, because it changes the basis from the weight of the aircraft to the runway length of 800 m. I wonder, however, if the Commissioner or Mr Marinescu could, when summing up, give me an assurance that the definition of 'open to public use' is properly explained so that there is no ambiguity as to the actual definition of public use. Could they explain whether it means commercially viable, whether it means people buying tickets for flights, or whether it means ones to which the public can actually get access? That could be a future stumbling block which I hope could be cleared up.

**Antonio Tajani, Vice-President of the Commission.** – (IT) Madam President, honourable Members, I am very pleased that this House has voted unanimously, or virtually unanimously, in favour of the single European sky reform. I understand that only Mr Nattrass is against it, but I do not understand why: perhaps either I have not understood, or he has not read the draft single European sky reform properly. I do not understand what the Soviet Union has to do with it: everyone is free to say what he or she wants; I do not feel nostalgic about the Soviet Union.

However, with regard to the serious points contained and raised in the debate, I should like to point out that this is a practical response that we are providing to a crisis within the air transport sector. The data supplied today by IATA are worrying. According to statements made by the Director-General, in this financial year the sector stands to lose USD 4.7 billion, or almost EUR 3.5 billion, thus performing worse than was initially expected. Its profits are set to drop by 12%.

Thus faced with a crisis of this kind, we are however capable of introducing cost-cutting standards. In all, once applied and working at full capacity, the entire reform, including SESAR, should lead to a total saving of approximately EUR 40 billion, and then the next important figure – and I think that this is close to Mrs Lichtenberger's heart – is also that of the reduction in pollution, which will be substantial.

With regard to the problem raised by Mr Zile concerning reciprocity and overflight taxes to be imposed on all aeroplanes flying over Siberia, the issue was the subject of an agreement signed with Russia, but it has not yet been applied. We have raised the problem during several meetings with the competent transport ministers. It was also raised at the last summit the European Commission had in Moscow with Mr Putin and Mr Medvedev, and with the transport minister, with whom I met bilaterally. I do not see significant progress being made by Russia, but we shall persevere.

The principle of reciprocity, which could have been included in the text, did not receive the Council's support. Most of the Member States opposed it, and so a debate was held at the last Council of Transport Ministers. Since there was no possibility of including it, it was not included in the legislative text.

However, with regard to the issues raised by Mr Romagnoli concerning the airports in the city of Rome, I can say that, as usual, checks are always performed by the European Commission. I can say that, as regards the application of the regulation safeguarding passengers with reduced mobility, Fiumicino and Ciampino airports can be held up as examples because they applied the Community regulation earlier than other airports, so much so that I even presented the new regulation at the end of July last year at Fiumicino airport.

This does not mean that we should rest on our laurels: I am thinking of the scandalous business of the 42 million items of luggage that are mishandled across the world, of the 1 million suitcases or bags that are lost. Faced with this data I have launched an inquiry by the Directorate-General for Energy and Transport. I have allowed one month for answers to be obtained from all the competent organisations, and if these answers confirm the data supplied and featured in the press, I shall set about proposing a reform of the existing regulation, which I consider to be slightly weak as regards passenger protection. I am thinking of perhaps entrusting some national bodies with the task of checking that the Community regulation is applied.

My attention is certainly focused on the 'passenger rights' issue, and so I wish to reassure you, in response to the question put by Mr Romagnoli, and to reassure Parliament as a whole, as well as to confirm my ongoing commitment to try to safeguard passenger rights even more. It is no coincidence that, following the regulation submitted and approved on air transport, regulations on maritime transport and bus transport are being discussed.

I would also say to Mr Evans that the criteria taken into consideration are the commercial value of airports and runway length, to which he referred. The definition to which he refers has been somewhat superseded by the criteria listed.

I believe I can once again thank you and insist on the matter of air transport safety which, with this reform, will be even stronger, even though I am convinced that flying in European skies today is safe, but there are never any limits where safety is concerned. We must always do more, and therefore in all of these sectors in which it is possible to strengthen transport safety I will see through my commitment in full, and I will try to submit proposals to Parliament and the Council that really show EU citizens that the European institutions are there to help them.

To conclude, I am grateful to you once again. I am grateful to Mr Marinescu, but I wish to thank all the Members, all the coordinators, all the elected representatives who have taken the floor during this debate, because we could not have done without such a strong commitment from Parliament – which has shown on this occasion that it does not want to waste any time – to intervene in practice on issues that directly affect EU citizens, a commitment that it has made alongside the Commission. I am also grateful to the European Commission services, which have done so much, and I am pleased that during the speeches someone thanked the services, also, for their cooperation.

Together, we have also all been able to make the aeronautical industry realise that the institutions are capable – I repeat and I stress – of tackling a difficult crisis. I believe that the people of Europe, the world of enterprise do not expect across-the-board aid or mere legislative measures from us, but need to be shown that the institutions are capable of being there, are capable of supporting the citizens, entrepreneurs and all those who are committed to tackling this crisis. They need to feel that the institutions are capable of standing by them and of supporting them in overcoming together this difficult period for the European economy, which will survive – and I am deeply convinced of this – by implementing serious and precise rules that apply to everyone.

The lack of rules and existence of weak rules has given rise to the financial and economic crisis. We Europeans, who identify ourselves as part of a civilisation that is the fruit of Roman law and the Napoleonic code, which is based on rules and on respect for rules, are convinced that, thanks to these rules, we will be able to overcome

the present difficulties and, above all, we will increasingly be able to have a system that is capable of being free but also of withstanding financial and economic difficulties.

I thank you once again for your great commitment. I am pleased to be able to take part in and share this important political moment with you.

**Marian-Jean Marinescu, rapporteur.** – (RO) Just some brief replies.

On the subject of Eurocontrol, the reform process has started so that new responsibilities can be received. On the subject of the 'owner of the air', I think that the happiest organisations after the approval of this report will be the airlines, including Ryanair.

On the subject of 'public use', this is the description which excludes even airports for air clubs or airports for pleasure flying. This is the reason why we wanted to remove these airports from the regulation, so as not to complicate matters further.

I would also like to thank you for the positive feedback you have given on my efforts. I think, however, that I could not have done this job alone, in any way at all. This is why I would like to thank sincerely the rapporteurs from the other political groups, Mr Stockmann, Mr Leichtfried, Mr Degutis, Mr Zile and Mrs Lichtenberger for the special contributions they made to this dossier, as well as for the support they gave me during the negotiations with the Council.

I also want to point out that the majority of the suggestions in the amendments submitted for the plenary session by Mr Kohlíček and Mr Markov already feature in the compromise reached with the Council.

Commissioner, I would like to congratulate you on this success. I hope that it will be ratified tomorrow by the vote in Parliament and by the Council vote at the end of this month.

I would like to thank the Commission's team of experts which worked alongside us to produce this agreement. I also thank the French Presidency and Czech Presidency for their efforts, especially Thierry Boutsen and Vera Zazvorkova.

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

The vote will take place tomorrow (Wednesday, 25 March 2009).

#### **Written statements (Rule 142)**

**Šarūnas Birutis (ALDE), in writing.** – (LT) Although the current European air transport system is considered to be very safe, the rapid increase in the volume of transport will probably pose new challenges in the area of safety. Therefore, we must take action at Community level so that the level of safety is maintained, or perhaps even raised, in the future. The most important thing is to renew and make uniform standards in those segments which are not yet regulated by EU legislation (and which for that reason are characterised by regulatory fragmentation and a lack of enforcement), in order to integrate them into the single approach. This is especially characteristic of two elements of the air transport chain, which are considered very important from a safety point of view, as potentially they represent the area of highest risk.

**Christine De Veyrac (PPE-DE), in writing.** – (FR) A compromise has been reached between the Council and Parliament, allowing these two dossiers to be concluded at first reading.

I am delighted with this agreement, which is an important step in the creation of a single European sky.

This will allow important improvements to be achieved in terms of flight times, fuel consumption, travel costs and CO<sub>2</sub> emissions.

While the first regulation emphasises the performance and the modernisation of the European aeronautical system, the second highlights the demands for safety and ensures that this important development in the management of air traffic in Europe will not take place to the detriment of the safety of aeroplanes and their passengers.

Parliament fought for these two texts, which are highly complementary, to be voted on together, and I am pleased that our institution was able to convince the Council on that point.

Member States, airlines and passengers: they are all beneficiaries of these new rules, which will prepare air transport for the decades ahead.

Thank you for your attention.

**Kathy Sinnott (IND/DEM), in writing.** – When creating aviation policy, safety must always be our primary concern. I commend the aims of this report to make aviation safer and more efficient for all involved.

Though we must take all steps to improve safety, we must help airports and air traffic authorities to comply. The development of a unified regulatory framework and the implementation of new technology will be expensive. Regional airports may find it very hard to sustain the added costs of updating their systems.

Shannon Airport in the west of Ireland provides air traffic control for a large area of the North Atlantic. However, as an airport which has lost many routes in the last decade, it may not have the funds for improvements. In the present economic environment it will not be easy to borrow for new equipment and training. To pass these costs on to the consumer may be a case of diminishing returns.

I would suggest that, in order to ensure we make this transition to safer air travel, the Commission ring fence funds to assist the process.

*(The sitting was suspended at 20.00 and resumed at 21.00)*

#### IN THE CHAIR: MRS ROURE

*Vice-President*

### 13. Composition of Parliament: see Minutes

### 14. Interoperability of mobile chargers (debate)

**President.** – The next item is the debate on the oral question to the Commission (B6-0225/2009) by Mr Cappato, on behalf of the Group of the Alliance of Liberals and Democrats for Europe, on the interoperability of mobile phone chargers (O-0057/2009).

**Marco Cappato, author.** – *(IT)* Madam President, ladies and gentlemen, the fact that we are discussing is very clear and straightforward: there are approximately 500 million mobile telephones in use in Europe and 30 different types of charger. The technical reason for this difference: there is none. There is no technical reason. It is merely a source of unfair speculation on the part of producers, on the one hand, and a creator of obvious environmental damage, on the other, since, as a result of this inescapable trap that consumers are caught in, hundreds of millions of phone chargers are being dispersed into the environment every two to three years.

The European Commission – Commissioner Verheugen – has already responded very promptly to our question, which asked for action to be taken to standardise this equipment, and so today we are here to ask the Commissioner what point we are at. One possible route is self-regulation, by which I mean that the producers of mobile phones and hence of chargers can agree very swiftly to impose a standard that puts an end to this truly ridiculous and damaging situation.

We would therefore say straight away, Commissioner Verheugen, that, whatever guarantee of self-regulation producers wish to give, we will have to make it very clear that we will intervene with regulation should this response be insufficient, and that this regulation should not relate solely to mobile phones and mobile phone chargers, but also to other digital devices for which the same problem exists. In this way Europe could also – I have finished, Madam President – impose standards that could ultimately be imposed as international standards, too. This is a great opportunity concerning a technical matter, but an important one for European consumers.

**Günter Verheugen, Vice-President of the Commission.** – *(DE)* Madam President, ladies and gentlemen, I am pleased to be able to inform the Members of the European Parliament that genuine progress has been made in harmonising mobile phone chargers in Europe.

However, I would first like to thank Mr Cappato and Mr Manders for the commitment which they have brought to this problem, which is a daily reality for the citizens of Europe.

I fully agree with them that we must put an end to the ever-growing number of chargers and that it must in future be possible to charge mobile phones using a single, standardised charger. The hundreds of millions of useless chargers and adapters in Europe place a ridiculous burden on the environment and, at the same

time, are an expensive irritation for consumers. Nowadays, anyone who changes their mobile phone generally needs a completely different charger. Even different models from the same manufacturer do not use a standardised charger.

This is not a new issue. However, it is important to realise that charging a mobile phone is not like filling a car with petrol; it is a technically more complex issue. A few years ago, the technology had not yet reached a level where complete harmonisation was possible, in particular because of safety risks. Mobile phones could overheat or even explode during the charging process.

In the meantime, these difficulties have been overcome and there are no technical reasons which would prevent harmonisation.

Therefore, I have taken specific steps to encourage the industry to bring a standard charger onto the market.

I am confident that the industry will act quickly. However, in our role as a European institution we must stay on the ball. We should under no circumstances exclude the possibility of introducing legal regulations. As you perhaps already know, at their most recent congress in Barcelona the network operators announced that from 2012 onwards it will be possible to charge the majority of the new mobile phones that they sell with a single standardised charger.

This is good, but it does not go far enough. The Commission would like to see complete harmonisation on the basis of a uniform standard and a binding undertaking from the industry to do this. The Commission expects the industry to produce a binding agreement in the form of a memorandum by the end of April. This memorandum should be signed by the major manufacturers of mobile phones and should ensure that every charger is capable of charging every mobile phone and that every mobile phone can be charged by every charger.

The Commission will not hesitate to make a legislative proposal if the industry does not introduce a voluntary agreement.

I expect that the problem will automatically be resolved for other devices, such as digital cameras and MP3 players, once we have made the breakthrough with mobile phones. If that should not be the case, then legal intervention may also be required here.

The Commission continues to count on the valuable support of the European Parliament to resolve this irritating problem once and for all.

**Paul Rübig**, *on behalf of the PPE-DE Group*. – (DE) Madam President, Commissioner, ladies and gentlemen, today we can celebrate the European day of the mobile phone, because together with the Commission and the Council we have today adopted the 'Roaming Regulation II'. We have come to a good conclusion which will result in a reduction in the costs of using mobile phones. This is a good thing in an economic crisis. We are also planning a cost reduction programme for the chargers, which is very important for the citizens of Europe.

Chargers should have a label showing their efficiency class, in a similar way to fridges, so that you can see how much electricity they use. It is also important for us to introduce a legal requirement for an automatic cut-off, so that the charger automatically switches off when the device is charged. In addition, we should ask the standards institutes to produce proposals which will make this possible.

I believe that the schedule presented here by the Commission is a good one, as it requires the industry to come to a voluntary agreement by April or be subject to technical legislation. Of course, this is not as easy as it seems. On the one hand, we have the connection between the charger and the mobile phone. It will be straightforward to establish a technical standard for this. However, on the other hand the wall socket presents a problem that we are familiar with from European standards. In this case we should also develop proposals to find a solution to this problem, which concerns not only Europe but also the rest of the world. Perhaps we could involve the International Organisation for Standardisation (ISO) in order to find a worldwide solution.

**Silvia-Adriana Țicău**, *on behalf of the PSE Group*. – (RO) The subject which we are discussing will actually affect a large number of consumers at European Union level. I must also mention that 2009, the year of creativity and innovation, is a year in which we can make a step forward towards this standardisation, if this agreement is signed among mobile phone manufacturers, albeit on a voluntary basis for the time being.

I think that we need above all a common technical standard. I also believe that it is important for European institutions which deal with standardisation to also be involved so that proper research can be applied at market level.

I think that a consumer information campaign is important too because it is not sufficient for us just to have this labelling on mobile phones about their energy efficiency. I also believe that it is important for a customer information campaign to be launched about the type of chargers for mobile phones.

2012 is not far away. I think that if manufacturers really invest in this new type of unique charger there will be sufficient time to meet the 2012 deadline.

However, I want to mention that the research has actually resulted in some applications already appearing on the market: there are chargers available which can be used from close proximity to charge two or three sets. Even if the sets are different makes and models, they can be charged simultaneously.

This is why we need to invest more in research, especially, in my view, in research dedicated to the information and communications technologies sector. Progress is being made. In the Seventh Framework Programme for Research we have large sums of money allocated. It appears, however, that for a fairly narrow field such as mobile phone chargers, enough has not been done. This is why I think that the agreement between manufacturers is a step forward, but it must also be accompanied by some common standards.

**Toine Manders**, *on behalf of the ALDE Group*. – (NL) Madam President, we are today discussing a subject that is of special interest to consumers, namely the standard connection for mobile phone chargers. As a Liberal, I am, of course, in favour of allowing the internal market to work and of the minimum possible amount of government intervention in the market. That said, consumers must also have choices. At the moment, consumers buying a new phone have no choice at all. The charger must automatically be bought with the phone, and this frequently gives rise to great annoyance amongst consumers. What is more, research shows that consumers spend EUR 300 million a year on new chargers because they are automatically included with the purchase of new phones. The result of this is that there, too, the environment is also burdened to the tune of EUR 300 million a year, and that is without mentioning the waste of energy that these cheap chargers cause, as they are often left in the socket even after the phone itself has been disconnected, where they continue to consume energy.

My colleague, Mr Cappato, and I have been calling for years for the introduction of a European standard and I would very much like to compliment the Commissioner for the manner in which he has regulated this by flirting a little with the industry whilst also threatening it, saying to it, 'You come up with a solution or, if not, we will introduce binding legislation'. I would like to congratulate him even more on that approach, as, being a Liberal, I am against mandatory regulation where coaxing can be used instead. Coaxing means that people prefer to do something because they see the benefit of it and I think that the Commissioner has achieved exceptional success in this.

I have told the following little joke a few times before: when I met my wife 35 years ago, I coaxed her into going out with me. If I had forced her, she would probably not have seen the added value we have now and the idea would therefore not have lasted this long. I believe that this example also applies to the industry, as, if the industry has to resolve the issue itself, it will make a better job of it than if the solution is laid down by politicians.

I therefore think that this is an excellent solution. I hope that, in time, you will manage not only to bring in a standard for phone chargers but also for more items of electrical equipment, as the same irritation applies to those other electrical appliances. If a family goes away for a weekend, it might take 30 chargers with it. There are always people, including in this House today, for instance, who have to ask whether anyone has a charger they can borrow as they have forgotten their own. You then need to find a specific charger of a specific make and model. My compliments, again, Commissioner. I hope that this really happens in 2012 and I hope that you act strongly if the industry does not live up to its commitments, as that is very important. You have to keep the big stick in reserve, but preferably reach a solution through coaxing and self-regulation. You have succeeded in that, and you have my congratulations.

**Paul Rübzig (PPE-DE)**. – (DE) Madam President, I have a further question for Commissioner Verheugen. USB 2 ports can transfer not only energy but also data. Would this not be an alternative solution?

**Günter Verheugen**, *Vice-President of the Commission*. – (DE) Madam President, ladies and gentlemen, I had already noted that, Mr Rübzig. I wanted to say to you that that is why I am so relaxed about this issue, because



I do not believe that we are making life unnecessarily difficult for the industry, as the USB standard is already in place. All my experts tell me that the existing standard can be used for all hand-held devices. You cannot use it at the same time for desktop PCs and mobile phones, but it is possible for all hand-held devices.

This is also my answer to Mrs Țicău. The standard you are asking about is in fact already in existence. In addition, I should tell you, Mrs Țicău, that intensive work is already underway into the issue of energy consumption and the effect of chargers of this kind on the environment. We will look into this question at the latest when we start work on implementing the directive concerning products that use energy, for which we have presented you with a new proposal.

My final remark is directed once again at Mr Rübig. I think the idea of an automatic cut-off is a very good one and it applies not only to chargers. I think this is a subject which could be taken much further. The Commission is already working on it and will report back to you on the results.

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

## **15. Common consular instructions: biometric identifiers and visa applications (debate)**

**President.** – The next item is the recommendation for second reading (A6-0143/2009) on behalf of the Committee on Civil Liberties, Justice and Home Affairs, on Common Consular Instructions: biometric identifiers and visa applications (05329/1/2009 – C6-0088/2009 – 2006/0088(COD)) Rapporteur: Baroness Ludford.

**Sarah Ludford, rapporteur.** – Madam President, this Commission proposal, on which I am Parliament's rapporteur, is the fourth element of the Visa Information System (VIS) package, coming after the VIS regulation, the VIS access decision and the measure on the use of the VIS under the Schengen Borders Code.

In modifying the existing common consular instructions, it provides firstly for the obligation to supply biometrics which will be stored in the VIS and the standards for doing so, but secondly it includes provisions on the organisation of receiving visa applications.

A complete revision of the visa rules is foreseen with the visa code on which my ALDE Group colleague, Henrik Lax, is rapporteur. Once adopted, this piece of legislation which we are now discussing will become an integral part of the visa code. The underlying rationale for separating the proposals was that the Commission expected the adoption of the visa code to take longer than the present proposal, and they did not want the adoption of the visa code to hold up the launch of the VIS.

It is my understanding that the central system for the VIS will be ready by December this year and could start operating in the first region, North Africa, in early 2010. I have been negotiating with the Council for quite a long time. The Committee on Civil Liberties, Justice and Home Affairs adopted my report in November 2007. Unfortunately we could not get a first-reading agreement, so in July 2008 I asked Parliament to endorse my report; however, during the French Presidency we were able to make sufficient progress for me to be able to recommend adopting this compromise at second reading.

We had four outstanding issues: the age limit for fingerprinting; encouraging Member States to cooperate while permitting contracts with external providers as a last resort; data protection and security; and a service fee for external providers.

On fingerprinting the Commission proposed to start fingerprinting children at six years old. In fact fingerprints of young children are subject to rapid change, and I have not been persuaded that enough is yet known about the reliability in later years of prints taken so young. Despite many requests, I was never provided with credible substantive evidence about how fingerprints taken between six and twelve years of age could be the basis for verification or identification many years later without the risk of mistakes.

The Council's reaction at one stage was to propose fingerprinting young children every two years instead of five years, as is the case with adults, but that would be hugely inconvenient for families. So I insisted on a prudent and practical approach, taking a higher minimum age of twelve years, and the Council did agree to exempt children under twelve, with a review of this age limit after three years following a detailed study under the responsibility of the Commission.

I now turn to the issue of encouraging Member State cooperation while permitting external providers. I do not have any problems with the general concept of outsourcing, but there must be secure conditions to ensure the integrity of the visa-issuing process, to ensure that outsourcing is only a last resort and that data protection and security are guaranteed.

We therefore succeeded in writing into the text a hierarchy whereby cooperation by means of limited representation, co-location or common application centres is the first choice, and only where those solutions are not appropriate to cope with a high number of applicants or secure a good geographical coverage does outsourcing come into play. The compromise makes clear that Member States remain responsible for compliance with data protection rules and for any breaches of national law.

An important element is that, in third states that prohibit encryption, special rules apply: electronic transfer of data between consulates or between an external service provider and the Member State would be banned, and Member States would have to ensure that the electronic data is transferred physically in fully encrypted form on a CD which has special conditions attached to it.

Lastly, on the visa fee, we have successfully insisted, as a condition for the external provider's imposing a service fee on top of the visa fee, that visa applicants should always have the possibility of direct access to the consulate offices. I think that is very important.

Overall we have a reasonable deal. Compromises were hard-fought, and I think we have made a step forward on the common visa policy.

**Androulla Vassiliou**, *Member of the Commission*. – Madam President, first of all I would like to convey the regrets of Vice-President Barrot for being unable to be with you tonight.

I am pleased to note that Parliament has accepted the Council's common position and thus given shape to the political agreement which it and the Council reached on this proposal during the trilogue on 2 December 2008. I would thank both Parliament and the Member States for the spirit of compromise they showed in achieving the formal adoption of this instrument, and in particular I should like to thank the rapporteur, Baroness Ludford, and the co-rapporteurs for their support and cooperation. This agreement will allow preparations to continue for the launch of the Visa Information System scheduled for the end of this year.

At Parliament's suggestion, the Commission has asked the Joint Research Centre to study the important question of fingerprinting children under the age of 12. The technical specifications have now been drafted and will be sent to Parliament and the Council in the very near future.

This change to the common consular instructions will also provide a transparent and harmonised legal framework for the practice of outsourcing, including the question of the extra fee.

The Commission considers that the text agreed upon is balanced and, as set out in the Commission's statement to Parliament, attracts the Commission's full support.

**Ewa Klamt**, *on behalf of the PPE-DE Group*. – (DE) Madam President, Commissioner, ladies and gentlemen, in order to fulfil the European Union's claim to be an area of freedom, security and justice, our task is to control the allocation of entry visas for people travelling to the EU from outside Europe. The newly created rules require EU embassies and representations to take fingerprints and photos of applicants in future. This meets four objectives.

Firstly, it will simplify the process of combating fraud and abuse, as biometric identifiers make forging visas more difficult. Secondly, it will prevent so-called visa shopping. Thirdly, the process of applying for a visa will be speeded up. Fourthly, at the same time border controls will be made easier, because biometric identifiers will allow border staff to determine quickly whether the person in front of them is the person for whom the visa was issued.

We would have been happy to support the Commission proposal to take the fingerprints of children from the age of six years upwards, in order to prevent the risk of people trafficking. Unfortunately there was not a majority in favour of this in the House.

The Group of the European People's Party (Christian Democrats) and European Democrats supports with a broad majority the compromise that a Member State which is responsible for accepting and processing applications must also be able as a last resort to work with external service providers. A decisive factor in our agreement to cooperation of this kind is that the Member States remain responsible for data protection

and data security in these cases. This means that the electronic data sent by the external service providers to the authorities of the relevant Member State must always be fully encrypted.

I would like to thank the rapporteur and my fellow Members from the other groups, who have worked as shadow rapporteurs on this project for three years.

**Roselyne Lefrançois**, *on behalf of the PSE Group*. – (FR) Madam President, Commissioner, ladies and gentlemen, Madam President, you are in the chair for this sitting, so I am therefore speaking in your place on this matter that you have followed as draftsman.

I would like first of all to offer my heartfelt congratulations to Baroness Ludford for the energy she has put into and the results she has obtained from the difficult negotiation of this matter. I believe that Parliament can be proud of the results obtained, because the task was far from easy, as we have observed.

I would stress in particular two points which seem to me to be essential and with which we can be particularly satisfied: first, the increase in the age limit for taking the fingerprints of minors, from six to twelve years. Second, the establishment of the principle according to which the collection of biometric data by the consulates of Member States can be subcontracted to private bodies only as a last resort and within a strict framework of certain very specific guarantees.

I know that some people believe that the adopted solution does not entirely fit in with the options that we had proposed, particularly regarding collection by a service provider, in a diplomatic office, and data transfer via encrypted electronic mail, or even via encrypted electronic data carriers transported in a diplomatic bag.

We would reply, however, that collection by private bodies may be carried out only in accordance with European legislation and that the data must be fully encoded by the service provider and transmitted to the authorities of the Member State.

Moreover, we have obtained the reference to the need for agreements to be negotiated with third countries that prohibit the encoding of data transmitted via electronic means. The examination of applications, any potential interviews, the authorisation procedure and the printing and insertion of visa stickers will be carried out only by diplomatic or consular representatives.

The same conditions apply for the transmission of collected data from one Member State to another in the case of co-locations; in other words the representation of a Member State by another in a third country.

Finally, if the detailed conditions for the activities of service providers are described in an annex to the text, they must be defined as a whole by a binding legal instrument.

In the light of these results, we can only be delighted with the guarantees obtained in terms of introducing a better visa policy in Europe. The latter will certainly benefit the European public and will enable us to improve our relations with third countries.

**Tatjana Ždanoka**, *on behalf of the Verts/ALE Group*. – Madam President, first of all, on behalf of my group, I would like to thank Baroness Ludford for her good cooperation. She is one of the few rapporteurs for whom nothing is impossible.

You know that my group strongly opposes the extensive introduction of biometrics. Nevertheless, the decision has been already adopted. The legal basis for the collection of fingerprints when issuing visas is provided for by the Visa Information System Regulation which, in our opinion, would be a more appropriate place to include provisions specifying both general rules and exceptions.

Now, for us, it is crucial to obtain as many safeguards as possible. Here Baroness Ludford has done an excellent job. For us the change of the minimum age for fingerprinting from 6 to 12 is very important – but 14 would have been even better.

We also welcome explicit references to fundamental rights, such as the possibility of copying data from the previous application if the last entry is not older than 59 months instead of 48, as well as guarantees for secure data protection.

However, we have many concerns. My group does not like outsourcing the collection of biometric identifiers, especially on premises without diplomatic and consular protection. We also oppose the charging of an additional service fee.

To sum up, we believe that the introduction of biometrics in visas has crucial implications for data security and for fundamental rights without demonstrating any significant gains. Therefore, we cannot support Parliament's position at second reading. However, this does not prejudice our position on the Lax report on the visa code.

**Sylvia-Yvonne Kaufmann**, *on behalf of the GUE/NGL Group*. – (DE) Madam President, ladies and gentlemen, I value the commitment of the rapporteur very highly and would like to thank her and everyone involved very warmly for their excellent work over recent years. Nevertheless, I will be abstaining from voting, mainly because I do believe that taking fingerprints and the entire process of using biometric identifiers is out of proportion to the size of the problem. I think that the desire of home affairs ministers and security authorities to collect as much personal data as possible is deeply questionable.

I know how difficult it was to extract the compromise from the Council which exempts children under the age of 12 from the obligation to provide fingerprints. However, we all know that this will only apply provided that there are no comprehensive studies in place which prove that children's fingerprints are reliable. The political discussion about whether babies' and small children's fingerprints are really needed is not yet over.

The regulations on outsourcing also cause me some concern. Strict, standardised regulations are certainly needed, as some Member States are already using external service providers. It is understandable that in many strictly limited cases it can be useful to transfer the processing of visa applications to external service providers. However, this must not be done at the expense of the applicants and of data security. I do not believe that the compromise agreed with the Council in this respect is adequate. Both the Legal Service of the Parliament and the European Data Protection Supervisor have indicated the risks involved in outsourcing, when the external service provider is not in an area under diplomatic protection. Unfortunately, the Council has ignored these concerns.

A further problem is the service charge involved in outsourcing. I believe it is wrong to pass this charge on to the applicants. The visa fee of EUR 60 is already too high and very difficult for people from third countries to afford. If a charge of up to EUR 30 is added, this does not correspond with my idea of an open and hospitable Europe. Undoubtedly it can make things easier in the case of very large countries not to have to travel halfway across the country to a consulate to apply for a visa, but instead to be able to submit the application to an external service provider. However, in my opinion, the higher charges would immediately cancel out this benefit.

I would like to thank everyone for their work on this dossier over recent years.

**Gerard Batten**, *on behalf of the IND/DEM Group*. – Madam President, it comes as no surprise to hear Baroness Ludford of the Euro-fanatic Liberal Democrat party wanting to harmonise yet another area of what should be sovereign national policy. Why on earth would any EU Member State want a common system for the application and processing of visas for third-party nationals? Deciding who can and cannot enter a nation state should be the sole concern of the nation state – except that, in the minds of the Euro-fanatics, European nation states no longer exist, having been replaced by the great EU borderless state.

Since 1997, about 6 million migrants have entered the UK. About 4 million have left, leaving a net population increase of over 2 million. The current immigration rate to Britain now results in a net population gain of over 200 000 people per year – or a net population gain of over 1 million people every five years. This is equivalent to a new city the size of Birmingham. Most of these migrants enter legally, because they are EU citizens. In addition to that, we probably have one million illegal immigrants. England is one of the most densely populated countries in the world – more densely populated than India, China or Japan. On current trends, our population of 61 million is set to rise to 75 million by 2051, and is projected to rise to 85 million by 2081.

What we need is to leave the European Union and regain control of our borders. Having done that, we need to decide which countries' citizens we allow in, with or without a visa. There are many Member States in the EU whose citizens should not be allowed into Britain without a visa. What Britain needs is a strict visa system so that we can decide who we allow into our country and who we do not. What we do not need is a system devised by the European Union.

I expect that its advocates would justify it as merely introducing common criteria and processes to make everything run more smoothly. However, it might have some unintended consequences. Look at another example of EU legislation championed by the Liberal Democrats. The European arrest warrant means that British citizens accused of a crime by other EU Member States cannot now be protected by British courts or

even the Home Secretary, even when it is obvious that a grave injustice is being done. Any corrupt legal system may now demand the surrender of a British citizen, and we have to comply. We have surrendered the right to protect our own citizens. Soon we will have trials *in absentia* and the common recognition of fines and confiscation orders. All this was voted for and welcomed by the Liberal Democrats. These measures overturn the most basic freedoms enjoyed by the English for centuries, as enshrined in Magna Carta and the 1689 Bill of Rights.

This afternoon, Graham Watson, leader of the Liberal Democrats, urged Gordon Brown to take Britain into the European single currency, which is something that anyone in touch with the real world would know is economic suicide. Now the Liberal Democrat fanatics want us to embrace a common system for the application of visas. When the London voters become aware of Baroness Ludford's position on these issues, hopefully they will grant her a one-way visa out of the European Parliament in the European elections on 4 June 2009.

**Carlos Coelho (PPE-DE).** – (PT) Commissioner, ladies and gentlemen, I agree that the Visa Information System or VIS urgently needs to be brought into operation, and that we need a Community code on visas. I acknowledge the work done by Baroness Ludford, but, in all conscience, I cannot support the compromise for several reasons.

Firstly, I disagree with the use of external service providers. When we adopted the second version of the Schengen Information System, SIS II, with the agreement of all the political groups, this Parliament refused to allow private companies to have access to the data, even though at the time this merely involved car registrations. What justifies Parliament's radical change in position in allowing private companies to gather these data, which are sensitive personal data, such as fingerprints? These companies will be able to retain these data for one week, according to the terms laid down in the compromise.

Secondly, there should have been better data protection. Diplomatic protection is vital to ensure effective protection of the personal rights of individuals. How can the protection of data gathered by private companies be guaranteed, given that this diplomatic protection has not been assured? Are we already forgetting the SWIFT case, involving the transmission of data gathered by the US authorities? If this type of situation can happen in a country like the United States, just imagine what could happen in less developed countries with less protection of fundamental rights.

Thirdly, the cost of visas will rise and will vary from country to country. The Commission proposal aimed to prevent visa shopping. By allowing private companies to charge a fee which will be added to the visa price, this will create a difference in the cost of visas from one Member State to another. We will therefore be encouraging exactly what we wanted to combat, namely visa shopping. If the cost of a visa in one Member State is EUR 60 and in another it is EUR 90, where will most of the applications be made? This will particularly apply in the case of families with several members. This is without even mentioning the need to review the visa facilitation agreements, which were so firmly supported by this Parliament, such as those with the Ukraine and Serbia.

As a result of all this, Madam President, I cannot accept this compromise.

**Corina Crețu (PSE).** – (RO) I would first of all like to congratulate the rapporteur for her efforts to create a legal framework which will provide the basis for implementing the biometric identification system.

Some aspects of this report have stirred up heated debates in numerous European Union Member States, especially those relating to biometric identification. Such disputes have also arisen recently in Romania, which is the penultimate country in the European Union to introduce biometric passports, but the first to implement a new biometrics standard including fingerprints from both hands and facial expression.

The concern over adopting the biometric identification system is based on the natural anxiety about guaranteeing personal security, just as it is also natural to be concerned about how the data obtained is being used and protected.

One of the Member States' most important duties is to ensure the security of their citizens, but without jeopardising fundamental human rights. This is why I think that it is our duty to find a balance between two fundamental aspects of our life: liberty and security.

The report which we are debating today is more of a technical report, intended to harmonise measures at European level on biometric identification. It is necessary for us to do this, bearing in mind that a number of Member States are already using this method, without the existence of a legislative framework in this area.

The fact that, for instance, children under the age of 12 and people who cannot physically have their fingerprints taken will be exempted from fingerprinting for biometric visas is proof of moderation and pragmatism which must be extended to all Member States.

**Hubert Pirker (PPE-DE).** – (DE) Madam President, Commissioner, I believe that the regulation will allow us to achieve two main objectives: security on the one hand and a more citizen-friendly approach on the other.

The introduction of fingerprints and photographs will ensure that the new visas cannot be forged or misused. In my opinion, the new visas are more citizen-friendly because the proposal will introduce a one-stop process in which all the necessary data is recorded at once. In addition, applicants do not need to visit the visa office every time as the data can be stored for up to five years.

I believe it is also more citizen-friendly if the process can be made shorter by calling for the cooperation of the Member States or bringing in external service providers, if the data protection regulations are followed. We will guarantee that they will be followed, because the necessary precautions have been taken. I would like to reassure everyone who is concerned that there will be abuse of the system or the regulations will not be adhered to as a result of using external service providers. In my country we have had very positive experiences in this respect. For this reason, I am supporting this more citizen-friendly approach.

Up to this point I also support the rapporteur and I would like to congratulate her. In the course of our work together, this has not always been the case, Baroness Ludford. However, I am not as pleased about the fact that we cannot take fingerprints from children from the age of six upwards. I object simply because this would result in a safer situation for children, because their identity could be determined without doubt and because we could prevent child trafficking and other criminal activities. I regret this. However, I hope that after a study has been completed and after three years at the latest everyone will be sensible enough to decide that it is possible to take fingerprints from the age of six in order to provide better protection for children.

**Silvia-Adriana Țicău (PSE).** – (RO) Council Decision 2004/512/EC of 8 June 2004 created the legal framework for capturing biometric data for personal identification.

The European regulation which we are discussing defines common standards for collecting biometric data for personal identification and is based on the relevant provisions from the International Civil Aviation Organization.

Great Britain and Ireland will not be applying the provisions of the current regulation because the Schengen acquis does not apply to them.

I think that observing the protection of personal data in particular is important for this regulation. In practical terms, this data must be stored and processed in accordance with the specific European legislation. In addition, the fact that Member States are responsible for organising how visa applications are received and processed lays a huge responsibility on them with regard to respecting personal rights.

I just want to mention that it is vitally important for this data to be processed and collected by authorised staff and not to be used, in any circumstances, for other purposes.

**Dushana Zdravkova (PPE-DE).** – (BG) Commissioner, ladies and gentlemen, the compromise which has been reached on the introduction of biometrics when European Union Member States issue entry visas undeniably ensures a higher degree of security.

At the same time, it also guarantees sufficient opportunities for protecting travellers' personal data and human integrity. I would also like to highlight that, in every case, improving technical requirements will support the battle against cross-border crime, illegal immigration and human trafficking.

For border countries like mine, Bulgaria, which are exposed to intense pressure from immigration flows and the activities of international organised crime, the rapid, successful introduction of the new standards will be vitally important in terms of protecting the EU's external borders.

Furthermore, the amendments being suggested offer Member States the chance to improve and speed up the process for issuing visas, which will undoubtedly help strengthen ties with third countries. It will also result in an overall improvement in the EU's image. When it comes to applying the new legislation, the possible financial consequences for visa applicants will obviously have to be taken into consideration as well.

Levying charges in addition to already existing ones may lead to the creation of new barriers blocking bona fide travellers' freedom of movement. Finally, I want to emphasise that ensuring proper protection when exchanging data as part of issuing visas for travel in the European Union will be crucially important.

Parliament has always protected the personal data of the EU's citizens and I believe that it is fair and moral for us to apply the same high standards when protecting our visitors' data too.

**Androulla Vassiliou**, *Member of the Commission*. – Madam President, I would just like to thank, once again, Baroness Ludford and all the honourable Members for their contributions and their comments. I shall convey to my colleague Mr Barrot all that they have said today.

**Sarah Ludford**, *rapporteur*. – Madam President, I would like to thank all the shadow rapporteurs who have worked with me. I have been 'Mrs VIS' for over four years and, together with the shadows, we have formed quite a close club and I will miss you all. I will particularly miss you, if I may say so, Madam President, as we may not see each other after June. We have been an all-female club, which has been delightful, but I would also like to thank all the staff involved, who have not all been female. They have been excellent.

I respect the positions of Ms Kaufmann and Ms Ždanoka. I understand their positions and I thank them very much for taking a full part in the negotiations and in the discussions even though, as they pointed out, they cannot support the outcome.

I am very sad that Mr Coelho is not able to support this compromise. I hope he understands how hard I fought for some of the elements that he also wanted. After all they were in my original report. If he thinks I could have achieved more, that might cause some spluttering in the Council and Commission because I think they saw me as quite a tough customer to deal with.

Mr Batten has left the Chamber. I think that was part of the UKIP election campaign. As Mrs Țicău pointed out, the UK is not party to the Visa Information System as the country is not in Schengen, so the UK has full control of its own borders. I think Mr Batten, as usual, was somewhat muddled in his thinking.

I thank all the other speakers who made constructive contributions. I am glad that we are putting this to bed as I personally feel that I wish to resign from being 'Mrs VIS' after this.

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

The vote will take place on Wednesday.

#### **Written statements (Rule 142)**

**Alin Lucian Antochi (PSE)**, *in writing*. – (RO) The introduction of biometric identification data as part of VIS marks an important step in establishing a reliable link between the visa holder and the passport, thereby preventing the use of a false identity.

However, this regulation has indicated right from first reading a number of disagreements between the Council and Parliament on the following aspects: fingerprinting of children up to the age of six with the risk of ignoring details of the costs and inconvenience which parents would face every time their children's fingerprints change; new challenges on how to organise the collection of biometric data; and last but not least, the lack of experience which Member States have with regard to managing the storage of personal data and technical errors.

In this situation we must ensure that Member States apply standard rules with regard to issuing Schengen visas and that the Common Consular Instructions are redefined and adapted. Furthermore, we need to focus particular attention on protecting the biometric data of those who have supplied it. We must be aware that, although this biometric data collection system is intended to combat crime and terrorism through the provision of access and the exchange of information between Member States' police authorities, it could equally be accessed by different interest groups, if high-level security measures are not devised and implemented.

**Marian-Jean Marinescu (PPE-DE)**, *in writing*. – (RO) The regulation amending the Common Consular Instructions on visas defines the legal framework required to introduce biometric identifiers into the Visa Information System, VIS, as well as the arrangements for receiving and processing visa applications.

This regulation offers the possibility of cooperation with an external service provider for collecting visa applications.

I think that the reasons why a free rein has been given to cooperate with external suppliers are unjustified and create the risk of visa trafficking. Although the regulation stipulates that Member States remain as operators and external service providers are people empowered by the operator, I believe that a question mark has been raised over the protection of private individuals in terms of processing and circulating their biometric data.

The right to levy a service charge, apart from the normal visa charge, will create differences between Member States regarding the cost of a visa. I am absolutely convinced that this will also create differences between Member States in terms of the number of visa applications.

I would like to draw the attention of Member States which use 'outsourcing' as a way to arrange the receipt and processing of visa applications to bear in mind this danger and review the legal framework so that it minimises the possibility of external suppliers collecting visa applications.

## 16. Novel foods (debate)

**President.** – The next item is the report by Mrs Liotard, on behalf of the Committee on the Environment, Public Health and Food Safety, on the proposal for a regulation of the European Parliament and of the Council on novel foods and amending Regulation (EC) No xxx/xxxx (common procedure) (COM(2007)0872 – C6-0027/2008 – 2008/0002(COD)).

**Kartika Tamara Liotard, rapporteur.** – (NL) Madam President, first of all, I would like to thank the shadow rapporteurs, as they helped me a great deal in improving the Commission report. I must also mention the cooperation with the Czech Presidency. They, too, had a good deal of positive input to offer and we were only a couple of small unresolved issues away from reaching an agreement at first reading, although it is, in any case, that bit more democratic to have a vote in the House first.

When I first heard that the Commission was putting forward a proposal for a regulation on novel foods, I did wonder what was meant by 'novel foods'. I was also surprised that the Commission proposal took the internal market as its starting point.

I will begin with that point. Like so many topics in this Parliament, this topic, too, can be approached from the perspective of the internal market, the producer or the economy. It can also be approached, however, from the point of view of food safety, consumers, health and the environment: in other words, on the basis of the welfare of the European citizen. In the EU, there is much talk about the environment and animal welfare and my thought was that this report should be more than just words: we should have action too. So when there was a choice to be made in my report on novel foods, in the first instance I opted for food safety, consumer welfare, the environment and animal welfare. I sincerely hope, and indeed the shadow rapporteurs have already informed me that it will be the case, that they support me on this point in the vote.

Innovation is, of course, tremendously important. That brings me on to my second point, namely what are 'novel foods', actually? That was never really made clear in the Commission proposal. The Commission informed me that what we were talking about was, for instance, nanotechnology and meat from cloned animals. Let me deal with nanotechnology first. I had absolutely no idea what it was. I think that lots of consumers are in the same position, but it appears that it already occurs in our food more than we might think: in energy drinks, in packaging materials for fruit and vegetables, but also in the likes of certain oils and teas. Regulation is therefore needed very urgently, as technology is all well and good, and can be a boon for the consumer, but we do need to know for sure that the food on our tables is safe. It therefore needs to come within the scope of the regulation.

Turning to meat from cloned animals, Parliament has already stated in a resolution to the Commission that it did not want meat from cloned animals on the market as food. If meat from cloned animals were to come within the scope of this regulation, we, as Parliament, would be admitting indirectly that we would, in fact, approve of meat of this nature coming onto our market. That is not acceptable, and meat from cloned animals must therefore be left outside the scope of this regulation. This is not really a safety issue. Cloning for meat is usually associated with a great deal of animal suffering, and many of these cloned animals do not even live for long. It therefore has no added value for food supply at this point in time.

**Androulla Vassiliou, Member of the Commission.** – Madam President, on 15 January 2008, the Commission submitted its proposal on novel foods to the Council and the European Parliament, with the aim of simplifying



the administrative burden for food-business operators when requesting pre-market approval for innovative food products.

The current proposal maintains the principle of the need for pre-market authorisation for innovative products, to reassure consumers that new breeding or new production techniques are safe for humans and animals and respect the environment and consumers' interests.

The proposal streamlines and speeds up the authorisation process through a centralised food safety evaluation by EFSA and sets precise deadlines at every stage of the procedure. It also includes an improved safety assessment, tailor-made to different types of foods, thereby allowing safe traditional food from third countries to enter the EU more easily.

I would like to welcome the work of Parliament, whose report addresses major issues concerning the development of a safe food sector. I would particularly like to confirm my support for the following principles: the need for a definition of engineered nanomaterials and the clarification that all such products require a case-by-case authorisation by the EU institutions; and the confirmation of the fact that food products from cloned animals are novel foods and therefore cannot be placed on the market without having been assessed by EFSA and authorised through a regulatory procedure.

I look forward to hearing your opinions on these sensitive issues and would like to thank the rapporteur, Ms Liotard, and the shadow rapporteurs for their valuable work on this important report.

**Zuzana Roithová**, *rapporteur of the Committee on Internal Market and Consumer Protection*. – (CS) Mr President, I would like to thank my fellow Members for supporting the proposals I set out as rapporteur. These include, for example, the submission of disputed cases to the European Group on Ethics in Science and Technology and also a reduction in the data protection period to 5 years, which will speed up innovation. I fully agree that it is essential to uphold the precautionary principle. However, I would also like to point out that in 12 years only 86 applications have been submitted, 28 new food products have been licensed and 3 rejected. The legislation which has applied to date is not very transparent and therefore we are now integrating the procedure for all Member States in this area, thereby simplifying the approval and placing of novel foods onto the market.

However, I do not consider the draft report to be very satisfactory. I am sorry that my fellow Members are unfamiliar with the link to the regulation on genetically modified food products and animal feed. Genetically modified food products were exempted from the effects of this regulation because at the present time they fall under a separate regulation and there is no reason for duplication here. I am therefore opposed to the proposals concerning the protection of animals and the environment, animal feeds and genetically modified food products. They simply do not belong in this regulation and tend to complicate the proposal, even though they represent a very important area. On the other hand I am in favour of a regulation which sets out the rules for food produced using nanotechnology and which will ensure definite food safety for the people of Europe.

**Philip Bushill-Matthews**, *on behalf of the PPE-DE Group*. – Madam President, this is a complicated dossier on which there are many differing views, so I would like to start by thanking the rapporteur for going along with some views in the spirit of compromise, when she may have personally preferred otherwise. There is, however, general recognition amongst all political groups that there needs to be clear regulation for novel foods, both to protect the consumer and give legal certainty to producers.

I would now like to thank the Commissioner for not just her work but her introduction, making it so very clear that the aim is to simplify and streamline this whole process. Indeed, one of the important principles for our group is that such regulation should help to facilitate the development of such foods and not put so many restrictions in the way that they never see the light of day. For this reason we have asked for a roll-call vote on Amendment 30 to confirm support for this key objective.

We also believe that any regulation should be proportionate and practical. For this reason we are against the suggestion that any product made with the aid of nanomaterials should have this separately stated on the label. We are also against the suggestion that a novel food cannot be approved if 'it has a negative impact on the environment after being consumed or becoming waste'. That may sound reasonable, but who is to establish such a fact and based upon what evidence? Would not some existing products also be banned under such an edict?

We agree with the need for the Commission to present a legislative proposal on cloning. We also agree with the need to strengthen data protection for a certain period. We are grateful that a number of our amendments have been accepted in committee and hope that those of our amendments which narrowly lost in committee will finally be passed in the full plenary tomorrow. But I can confirm that, as a sign of our general support, we will propose to vote in favour of the report at the end and to get the show on the road.

**Åsa Westlund**, *on behalf of the PSE Group*. – (SV) Madam President, I would like to thank the Commission very much for this proposal. I would also like to thank Mrs Liotard for an extremely good report, which, compared to the Commission's proposal, has substantially enhanced the parts that I think are particularly important, those being public health and consumer protection. I also recognise many of the questions that we have worked on together on a previous occasion with regard to food additives.

It relates to questions regarding nanoparticles and nanomaterial. They are dealt with extremely well in the rapporteur's proposal, but also in an amendment by Mrs Breyer, which I recognise from the work on the Cosmetics Directive. In that connection we submitted almost the same proposal, which has now been taken up in the directive and which, of course, should also be included here. It relates to the labelling of nanomaterials and the fact that the contents must always be evident to the consumer so that anyone who wishes to do so is able to choose to avoid foodstuffs containing nanoparticles or nanomaterials.

Other aspects that I recognise and welcome include the fact that we must be able to take account of how the food affects the environment. This is an extremely important issue and its importance is growing. There are also ethical aspects to this, for example with regard to cloning, which has now been included in the report in a constructive and clear manner. It is not about how consumers are affected by eating cloned meat, but above all it is about ethical aspects that we really must take into account when taking decisions on this sort of legislation.

I would also like to say that I agree with the rapporteur that approval must also be required in respect of nanomaterials in packaging that comes into contact with food.

The Socialist Group in the European Parliament is of the opinion that the rapporteur's proposal is an extremely good one. We will also support some of the amendments. We hope that we can still reach an agreement with the Commission fairly soon.

**Magor Imre Csibi**, *on behalf of the ALDE Group*. – Madam President, novel food regulations should provide for the diversification of food products on the European market, while ensuring that these new products are safe for the consumer.

However, under the current regulation very few novel foods are approved on the EU market due to highly complex application and assessment procedures. If we had applied the current procedures to the authorisation of the potato or the kiwi fruit we might not have them on our table today. The revision of the current regulation should aim to set up a more efficient and practicable system for the authorisation of novel foods.

I understand some of my colleagues' concerns about allowing on the market new products that might present a danger or mislead the consumer. However, we should not fall into the trap of safety hysteria and kill innovation, and we should not discriminate against novel food, placing it a less favourable position than products already on the market that do not necessarily have a nutritional advantage for consumers; nevertheless, consumers have freedom of choice.

My group is generally satisfied with the outcome of the vote in the Committee on the Environment, Public Health and Food Safety. However, there are certain issues that go far beyond the scope of this regulation, and consequently we will not be able to support it. For example, we cannot demand that a novel food has no negative impact on the environment. Whether we like it or not, all human activities have an impact on the environment, and such a provision is disproportionate in this context. Instead, my group believes we need to strike the right balance between encouraging innovation and applying the precautionary principle concerning food safety, consumer and environmental protection and animal welfare.

Our approach was to ease the long and bureaucratic procedures for putting novel foods on the market and protecting the industry's investments by means of reinforced data protection.

To that end, for the plenary vote we have retabled a set of amendments to facilitate the procedure for products that are similar to foods or ingredients already existing on the market and where the authorisation procedure has already started under the old Regulation. Applications pending under the old Regulation should be

completed according to the rules in force at the time of the submission of the dossier. Reintroducing the application under the revised Regulation would only mean further delays and costs for the industry.

At the same time, we also tried to promote the interests of consumers by reinforcing implementing measures on, for example, marketing and monitoring, supporting the exclusion of cloned animals from the food chain, and specific labelling provisions.

On the issue of cloning, I strongly support the exclusion of foods from cloned animals and their descendants from the scope of this Regulation, and call on the Commission to ban cloned animals in the food chain. In September 2008 the European Parliament adopted by a large majority a resolution asking for a ban on cloned animals from the food supply.

We must be consistent in the political message we send to the Commission and to citizens. There are still fundamental questions to be addressed regarding the ethical implications of cloning animals for food supply, and even the implication of animal cloning on human health and animal welfare.

Therefore, the novel food regulation is not an appropriate framework for such a complex issue. If, in the future, food products derived from cloned animals are to be introduced on the European market, it should be done by means of a specific regulation submitted for public consultation and then democratically adopted.

I believe Parliament needs to take a strong stand and, by means of a majority vote, put pressure on the Commission to find solutions that echo the will of the citizens.

We will also support labelling of nano-ingredients. People have the right to know what they eat and make their choices accordingly. If some people are concerned about nanotechnology, then they should be able to make a different choice. However, we believe that labelling of foods produced from animals fed with genetically modified feedingstuffs is simply not realistic and feasible. I personally am strongly against GMOs, but I cannot imagine how we could trace efficiently which animals were fed with GMOs and which were not.

**Zdzisław Zbigniew Podkański**, *on behalf of the UEN Group*. – (PL) Madam President, Regulation (EC) No 258/97 on novel foods is good occasion for clarifying what we are actually dealing with. Are we really promoting healthy, safe food products and protecting the health of consumers, or are we protecting the interests of certain pressure groups and persons for whom not people and human health, but money, is paramount?

If we are concerned about people and their health, we need to make sure that there is honest information for consumers about the origins and ingredients of food products. The information labels must include, amongst others: the ingredients and the quantities; whether the food is environmentally sound or based on GMO products; the additives it contains, if any, such as food enzymes and flavourings; the country of origin and whether it comes from cloned livestock, which in my opinion should be completely forbidden.

Essentially, the necessity of implementing appropriate procedures for issuing permits for the production and marketing of novel foods is something that should not require discussion. The procedures must protect consumers from the danger of unhealthy food and from being misled. The rapporteur, Mrs Liotard, agreed with the Commission's report on the need for transparent authorisation procedures for new food products, even though she has submitted numerous amendments, which shows her engagement with the work on the report, and which must definitely be commended.

**Hiltrud Breyer**, *on behalf of the Verts/ALE Group*. – (DE) Madam President, Mrs Liotard, ladies and gentlemen, we need new regulations for novel foods. In particular in the case of nanotechnologies, our requirements for foodstuffs should not be less strict than those for cosmetics.

We need a definition of nanomaterials and clear labelling. However, nanofoods must not be approved until specific risk analysis methods have been put in place, otherwise we will be turning consumers into guinea pigs, which I hope no one wants to do.

In the case of gene technology, we must close the labelling loophole as quickly as possible. Foods which come from animals that have been fed GMO feedstuffs must be labelled. We have traceability on paper, so it will be possible. We will see tomorrow how the Members from Germany have voted, because there is a labelling loophole here. We do not want to take away the consumers' right to choose for themselves. They should have freedom of choice and the opportunity to make their own decisions.

We must be quite clear about the fact that we do not want cloned meat to be approved in Europe, for both animal welfare and ethical reasons. We should make this very clear in this regulation.

My final point is that animals should not be subjected to unnecessary suffering. For this reason, we are calling for a ban on duplicating animal testing. Thank you.

**Renate Sommer (PPE-DE).** – (DE) Madam President, it would be good if you could allow me the additional half a minute which Mrs Breyer from the Group of the Greens/European Free Alliance has just had.

The Commission has submitted a good proposal for updating the regulation on novel foods. Unfortunately, some amendments have been tabled with the aim of adding objectives to this proposal which are not compatible with the goals of the regulation or which even interfere with existing case law. The obligation on food suppliers to monitor novel foods in terms of the health and welfare of animals would impose too great a burden on retailers.

Once again an attempt is being made to undermine existing GMO legislation, in this case the call for special labelling for novel foods which come from animals that have been fed genetically modified feedstuffs. We have already heard about all of this.

Anything which involves GMO legislation should not be included in the regulation on novel foods. I say this, but I myself tabled an amendment to distinguish between new plant types and the definition of novel foods. However, interested parties in this House must not be allowed to misuse the regulation on novel foods for electioneering purposes. Amendments 62 and 90, for which the Greens have requested a vote by roll call, are obviously an attempt of this kind. Who are you aiming to pillory for this? My group has always supported the right of the consumer to know what foods contain. Why should there not be a reference to nanosubstances in the list of ingredients? Although amendment 62 makes a rather clumsy attempt to anticipate my report on food labelling, I must say that I believe that the labelling of novel foods is fully compatible with my report.

Therefore I recommend that my group votes in favour of the amendments. In my report on food labelling regulations, I will refer to the part of the regulation on novel foods which concerns labelling. This will be possible because the first reading on the labelling of foods has been postponed to the next parliamentary term, against the Greens' wishes. However, it has now become clear how beneficial this postponement was for them.

A brief remark on cloning. It is animal cruelty and we are opposed to it. Nevertheless foods must be included in this regulation, because otherwise ...

*(The President cut off the speaker)*

**Csaba Sándor Tabajdi (PSE).** – (HU) It is very reassuring to European consumers that they can have every confidence in the EU foodstuffs on their plates. In the medium and long terms, this is one of the most important reasons for maintaining the common agricultural policy. We have to compensate European producers for the fact that we impose stricter food safety and environmental protection rules than our competitors outside the European Union.

It would be good if we were to succeed, at the WTO negotiations, in asserting our rightful demand that our global competitors should observe equally strict norms and standards for stringent food safety, animal and plant health and environmental protection.

The regulation on novel foods and the amendment presented in this report are also intended to serve increased food safety. At the same time, the challenges presented by the current global food crisis and the steady increase in population heighten the importance of, and indeed render essential, the search for new solutions. In order for the earth to be able to feed 9 billion people in 2050, the opportunities presented by technological advances, and primarily the use of biotechnologies, are indispensable.

To avoid misunderstanding, this report does not address genetically modified foods. In accordance with the Commission's intentions, however, foods prepared with nanotechnologies do fall within the scope of novel foods. Some of my fellow Members have concerns, which I understand up to a point, but it is important for us to recognise that nanotechnology is one of the keys to the future.

Europe would suffer a serious competitive disadvantage if it were left out of developments in this area. The key is the scientific, comprehensive testing that accompanies the licensing process, guaranteed by the proposed

regulation. A major consideration is the strict regulatory system of labelling. We must not allow the foods in question to be open to misleading consumers.

There is also a significant debate concerning cloned animals. It would be more appropriate to regulate cloning in a separate regulation. Following the opinion of the European Food Safety Authority, we should not consider the offspring of cloned animals to be clones, but the regulation should nonetheless refer to the offspring of cloned animals as well. We need to make this absolutely clear to consumers.

**Mojca Drčar Marko (ALDE).** - Madam President, last year we voted with a persuasive majority in favour of the resolution proposing to ban the cloning of animals for food and the sale of any products from cloned animals and their offspring.

Ahead of voting on the legislation on novel foods we should recall the reasons for having been prudent and aware of risks for the health and welfare of animals. We know, from our past experience with similar issues that tackle both food safety and ethical relations between humans, as the dominant species, and nature, that public perception depends very much on specific knowledge of the matter. Consumers are increasingly sensitive about suffering and injuries to farm animals and therefore they have the right to be informed about the potential of cloning to cause pain and to waste natural resources. Yet the development of animal cloning as a method of food production is being pursued without public awareness.

The problems with cloning do not concern just the welfare of animals, but also consumer confidence in food since it is believed that in Europe food is produced to a very high standard. The Eurobarometer study from last October documented serious public concerns with regard to hypothetical future use of food products from clones. This is linked to the sale of imported food, which could eventually be sold in Europe without being labelled as a product from cloned animals. I therefore agree with the rapporteur's approach urging the Commission to come up with a separate piece of legislation on clones.

Among other problems which have been covered by the amendments tabled by my political group, I wish particularly to support the sharing of information from animal testing so as to avoid the need for new tests involving animals.

Finally, many thanks to the rapporteur for her thorough work on this important piece of European legislation tackling food safety, as well as consumer protection, and animal health and welfare.

**Satu Hassi (Verts/ALE).** - (FI) Madam President, ladies and gentlemen, my many thanks go to Mrs Liotard for her fine work and excellent report. I am especially pleased that the committee took the risks of nanomaterials seriously and wants to ban the use of meat from cloned animals. After all, cloning causes great distress to animals.

I also regard Amendment 60 as important. The intention is that products from animals that have been fed with genetically modified feeding stuffs, that is to say milk, eggs and meat, must be labelled, and I hope this receives the support of Parliament as a whole. European consumers shun genetically modified food, and plant-derived genetically modified food that has to be labelled is hardly found in the shops at all. With feed, however, there is a gaping loophole, which makes it possible to bring genetically modified feed to our dining tables. A good deal of European feed is imported from elsewhere in the world, and mainly from Brazil and Argentina, where the share of genetically modified feeding stuffs is huge.

It is time we extended the principle of transparency to feed and the idea of genetically modified labelling to animal products. The Prime Minister in my country supported this idea two years ago, and I hope that Finland will also support it in the Council of Ministers.

**Avril Doyle (PPE-DE).** - Madam President, I welcome the revision of the Novel Food Regulation, which must stimulate innovation in the food and drink industry. It must protect the functioning of the internal market and public health and, at the same time, facilitate market access for novel foods.

However, I have some concerns generally about what I will call the scientific antipathy and distrust of this European Parliament – and, indeed, of our national parliaments – which has become a matter of serious concern on a whole range of areas at this stage. We do not do justice to ourselves with emotive, hysterical or populist responses to the latest peer-reviewed scientific developments, and we do not do justice to our democratic mandate. When GM products, cloning and nanotechnology are mentioned in this House, then it is belt-and-braces and the answer is 'no'; then, we slowly open up and delay authorisation.

I am concerned with EFSA, Madam Commissioner, and whether it has the resource capacity to process dossiers under this regulation in a timely but thorough way. If our embarrassing experience with the GM food and feed authorisations and rate of progress thereon are anything to go by, the answer must be 'no'. Why do we respond as if we are scientific illiterates on any new aspect of this area? Why do we distrust peer-reviewed science to such an extent? Have none of us, or very few of us, scientific backgrounds in this Parliament at all? The same question can be asked of national parliaments. We must base legislation on thorough, serious science and accept that. If not, our credibility as legislators is in question.

**Czesław Adam Siekierski (PPE-DE).** - (PL) Madam President, guided by what is good for consumers, and taking into account the great extent to which the food we consume affects our health, I agree with the rapporteur's view that we need to clearly define the purpose of the regulations on novel foods. We should make all efforts to ensure that the transparency and effectiveness of the system of issuing permits for novel foods will ensure consumer safety and improve the functioning of the internal market.

In my opinion, the current definition of novel food must be refined, taking into account the general principles and requirements of food legislation. I believe that a food product should only be marketed when it does not mislead the consumer, it is completely safe and the nutritional value of the product has not been impaired. As the substances or compounds thereof have not yet been used for human consumption, particular care should be taken in making any decisions relating to their legal regulation. I support all activities that will help maintain a high level of food safety, and those who talk about ...

**Androulla Vassiliou, Member of the Commission.** - Madam President, I would like to elaborate on a few very important points which were made by honourable Members.

Concerning nanotechnologies, I have taken note of recent scientific opinions and I am convinced by the related documents in Mrs Liotard's report. The European Union will be first in the world to have a regulatory definition of engineered nanomaterials and a coherent and flexible approach to this technology.

In order to clarify the Commission's position on the definition of nanotechnologies, I would like to make the following statement on behalf of the Commission.

The Commission notes that work towards a common definition of nanomaterials is still evolving. The Commission therefore confirms that, in future Community legislation, progress on the common definition should be taken into account, and notes that the comitology procedures included in this proposal also enable the definition in this proposal to be updated.

Regarding the mandatory labelling of all food produced with the aid of nanotechnology, I would like to note that the Commission is indeed in favour of consumer information about the presence of nanomaterials in food. However, under the Novel Food Regulation we have a case-by-case authorisation which also lays down conditions for use of such products, including the labelling requirements. Labelling will thus be examined on a case-by-case basis.

Let me now clarify my position on the important issue of cloning. I have already stated that I consider that the Novel Food Regulation is not the most suitable instrument for managing all the issues of cloning. Novel Food only deals with food safety and market authorisation. Therefore the use of clones in breeding programmes – semen, embryos and ova – cannot be regulated under the Novel Food Regulation, nor can issues linked to animal health and welfare be addressed here.

On 13 January, the College of Commissioners held an orientation debate on the cloning of farm animals for food production. The Commission agreed that there remain a number of unanswered questions. In this respect the Commission is working closely with EFSA and ensuring that related scientific research is conducted. At the same time, I launched discussions with our main trading partners: the United States, Canada, Japan, Australia and New Zealand.

Yes, we need more information and data on cloning techniques and the way in which progenies of cloned animals should be handled from a regulatory perspective.

As some of you have mentioned, in July last year the European Food Safety Authority delivered its opinion covering the scientific aspects of cloning for food in the EU. The general conclusion of the opinion is that the risk assessment is insufficient due to the limited data available. With regard to the health and welfare of animals, the opinion makes it clear that a significant proportion of clones have been found to be adversely affected, often severely, and with a fatal outcome both for cloned animals and for the surrogate animal.

The opinion of the European Group on Ethics also highlights a number of scientific questions that need to be answered, and research that needs to be carried out, on food safety, animal health and welfare, traceability and labelling.

In conclusion, I wish to acknowledge that, with regard to cloning, there is certainly an issue to be addressed, but the Novel Food Regulation is not the right place to regulate all the questions surrounding this sensitive matter.

Nevertheless, I would like to make a commitment, on behalf of the Commission, to produce, as soon as possible, a comprehensive report on all aspects of cloning techniques with a view to the production of foodstuffs, including animal health and welfare in relation to clones and their offspring, accompanied, if appropriate, by legislative proposals. Let me stress that I believe that a solution can be found on the issue and, in this respect, I thank Parliament for its understanding and cooperation.

*Liotard report (A6-0512/2008)*

The Commission can accept Amendments 7, 12, 34, 35, 41, 42, 44, 45, 53 and 63.

Amendments 3, 8, 15, 20, 58, 64, 65, 76, 87, 88 and 89 can be accepted in principle.

Amendments 1, 6, 10, 25, 30, 31, 36, 40, 66, 67, 69, 77, 82, 84, 85 and 93 are acceptable subject to rewording.

The Commission cannot accept Amendments 2, 4, 5, 9, 11, 13, 14, 16, 17, 18, 19, 21, 22, 23, 24, 26, 27, 28, 29, 31, 32, 33, 37, 38, 39, 43, 46, 47, 48, 49, 50, 51, 52, 54, 55, 56, 57, 59, 60, 61, 62, 68, 70, 71, 72, 73, 74, 75, 78, 79, 80, 81, 83, 86, 90, 91 and 92.

**Kartika Tamara Liotard, rapporteur.** – (NL) Madam President, I would like to express my sincere thanks to my fellow Members for their input into the debate and for the support I have received for various points in my report. There were some critical comments too, of course. That, too, I am happy with, as it can only be good for the debate.

Our aim is to guarantee to consumers that food produced on the back of new technologies or new food coming onto the market is safe. Through our input and our proposals, we will succeed in achieving this aim. This will also provide certainty for those producers looking to innovate, in that they will now know what is allowed and what is not. The report also covers data protection in relation to those producers, something that also promotes innovation in the field of food safety.

I would, in addition, like to offer my heartfelt thanks to the Commissioner for what she said about nanotechnology. In this field it is true that there is still much change to come, and if we lay down a definition now, at the beginning, it must be possible to revise it as the science moves on.

I would also like to thank the Commissioner for what she said about animal cloning. I would, however, like to point out to you that Parliament has already adopted a resolution in which we make clear that we do not want meat from cloned animals on the market as a foodstuff. This point, too, comes up again in this report, and I would urge that the cloning of animals be excluded from the regulation on novel foods. The report calls for that to happen and, as you have just heard, this House is strongly behind the idea.

Finally, I would like to take this opportunity to offer my sincere thanks to my staff, Thomas, Vivian and Jan-Jaap, who worked very hard alongside us in order to produce this report.

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

The vote will take place on Wednesday.

## **17. Substances that deplete the ozone layer (recast) (debate)**

**President.** – The next item is the report by Mr Blokland, on behalf of the Committee on the Environment, Public Health and Food Safety, on the proposal for a regulation of the European Parliament and of the Council on substances that deplete the ozone layer (recast) (COM(2008)0505 – C6-0297/2008 – 2008/0165(COD)).

**Johannes Blokland, rapporteur.** – (NL) Madam President, closing the hole in the ozone layer is important for the environment and for the public health of the population of the whole world. Our atmosphere is

formed in such a way that there are two different layers that protect us. The CO<sub>2</sub> in the tropospheric layer holds in the warmth so that we do not get too cold. The ozone in the stratospheric layer protects us from harmful UV radiation from the sun. The regulation on substances that deplete the ozone layer is primarily aimed at protecting the stratospheric ozone layer, but also at preventing climate change. Thus, those substances that are being prohibited act both to deplete the ozone and to increase global warming. The predominant substances that deplete the ozone layer are found in aerosol propellants, refrigerators, insulating materials and certain specific solvents and cleaning agents. The CFCs and halons that have the strongest ozone-depleting effect have been completely eliminated, save for a limited number of exceptions. It is already prohibited to produce HCFCs, and their use will be banned from 2020. The preamble to the new regulation states that the production and use of ozone-depleting substances is to be ended or minimised as far as possible. This is an important policy basis.

Sixty-four amendments were adopted in the Committee on the Environment, Public Health and Food Safety. There were then two trialogues, which resulted in an agreement between the Council and Parliament. This meant that the 64 amendments were replaced by a single, consolidated text. I would like to briefly mention nine important results of that agreement.

First of all, the legal basis for the regulation has been changed to the environment. That allows the Member States the possibility of adopting more far-reaching measures to protect the environment. Secondly, the use of the pesticide methyl bromide will be prohibited as of 18 March 2010. This also applies to the gassing of containers to control vermin. The only remaining exception will be for emergencies, such as where a large-scale epidemic occurs. The third point is that, in the phasing-out programme for HCFCs, the percentage with respect to 1997 has been cut back to 7% for the final years. Fourthly, HCFCs may only be used in government-designated businesses. Fifthly, some new substances have been added to the list of substances that are nominated for restrictive measures. The European Commission has undertaken to investigate these substances further. Point six is that, for the necessary exceptions, such as for use as reagents and for laboratory use, labelling is being laid down as a mandatory requirement. It has also been agreed, in this regard, that there must be no increase in laboratory use. Point seven is that the reuse and recycling of ozone-depleting substances for existing apparatus may only take place within one business. In addition, a log must be kept of the quantities present in order to prevent fraud and illegal trade. The eighth point is that attention is being given to enforcement by means of inspections. In that way, Member States are obliged to work together to tackle illegal trade. The final point is that, in order to prevent leaks of ozone-depleting substances, the monitoring and enforcement system is to be tightened up.

There is, however, more to be done in order to tackle the problem of stored ozone-depleting substances. The Commission has an important job here. I would like to urge it once again to develop the directive on construction and demolition waste along the lines we agreed seven years ago in the Sixth Environmental Action Programme.

All in all, we have achieved a satisfactory result. The ozone layer will get a better chance to recover so as to reduce the harmful effects, such as skin cancer and damage to plants and trees.

**Stavros Dimas**, *Member of the Commission*. – (EL) Madam President, I should like first of all to thank and congratulate the rapporteur, Mr Blokland, and all the shadow rapporteurs on their exceptional work on this proposal to recast the regulation on the protection of the ozone layer.

I am particularly delighted that agreement has been reached at first reading, thanks in large part to the positive and constructive contribution made by Parliament.

The policy on the protection of the ozone layer in the stratosphere has been acknowledged as a very great success and the European Union has played a decisive role here. Thanks to the innovative measures which we adopted in the European Union, we have succeeded in getting 99% of substances that deplete the ozone layer withdrawn.

Apart from protecting the ozone layer, limiting these substances has extremely positive repercussions on the climate. That is because these substances have a global warming potential up to 14 000 times greater than that of CO<sub>2</sub>. Without the Montreal Protocol and without the even more ambitious Community regulation, emissions of greenhouse gases at global level would perhaps be up to 50% higher than they are at present.

Thanks to these international efforts, scientists now estimate that the ozone layer can be fully restored between 2050 and 2075. However, in order to make this possible, a number of persistent problems need to be overcome. The Commission proposal is designed both to simplify the Community regulation and



reduce bureaucratic obstacles and to bring the regulation into line with new scientific developments and future challenges, in order to guarantee the restoration of the ozone layer.

The compromise agreement achieved retains the architecture of the Commission proposal but, at the same time, it includes the specific measures needed in order to address outstanding issues in terms of the full abolition or limitation on the use of substances which deplete the ozone layer.

More importantly, it contains stricter provisions for substances which are 'stored' in products, such as, for example, refrigeration equipment or plastic insulating foam. It strengthens commercial measures against the illegal use of and illegal trade in substances that deplete the ozone layer in the European Union and will help to prevent environmental dumping in developing countries. Finally, it bans all uses of methyl bromide except in specific instances in order to deal with emergencies. This will put Community legislation on methyl bromide at the vanguard at global level.

The benefits, both in terms of restoring the ozone layer and reducing greenhouse gases, will be considerable. The European Commission is in a position to accept in full the compromise package of amendments.

I should like to thank the European Parliament once again for its significant contribution in keeping the environmental objective of the proposal intact and achieving agreement at first reading.

**Eija-Riitta Korhola**, *on behalf of the PPE-DE Group.* – (FI) Madam President, the regulation before us is the natural continuation and an important part of the Montreal Protocol, which obliges its 191 signatory states actively to abandon the use of substances that deplete the ozone layer.

The Montreal Protocol is considered to be one of the most successful of all international environmental agreements. The results speak for themselves. There has been a 95% reduction in consumption of ODS compared with the baselines set. Furthermore, greenhouse gas emissions will have been avoided over a 20-year period that are equivalent to more than 100 billion tonnes of CO<sub>2</sub>. That is why the regulation we are now considering will not just promote the recovery of the ozone layer: it is also an important part of the fight against climate change.

The previous regulation, drafted nine years ago, was hopelessly behind the times, and it was necessary to bring it up to date. The simplification of the current regulation's structure, the deletion of obsolete provisions and extending the obligation to file reports to cover new substances are reforms that were sorely needed. I would like to congratulate my colleague, Mr Blokland, very warmly on his work as Parliament's rapporteur. The compromise at first reading, though challenging democratically, is a sensible solution for an update such as this one, and reaching it was in itself an environmental accomplishment.

The now acceptable regulation will bring current Community regulations more appropriately in line with the original provisions of the Montreal Protocol. For example, bringing forward the deadline for ending the production of HCFCs by five years to 2020 is sensible and justified, as is reducing the number of exemptions to the ban on export trade. As the aims of this regulation cannot be satisfactorily achieved in our Community just through action on the part of the Member States, we need to address the problem globally, in the context of the global economy. If there were too many exceptions to the exports ban, it would be too difficult to show they were justifiable.

The Montreal Protocol itself has had additions made to it no less than four times. The 20-year-old treaty was amended in this way in London, Copenhagen, Montreal and Beijing. It is not just a success story: it is also a story of the necessity to correct mistaken trends as understanding increases. It is this same wisdom that we now need in the case of the Kyoto Protocol.

The original Montreal Protocol focused on the protection of the ozone layer, mainly by restricting CFCs, and that goal was quickly tightened up almost to zero. So CFCs started to be replaced with HCFCs, for example, which were a lot less harmful to the ozone layer. As is often the way with solutions to environmental problems, however, another aspect to the problem emerged. HCFCs, or fluorinated gases, proved to be particularly harmful on account of their huge Global Warming Potential or GWP. Some of them are more than a thousand times more intense as global warmers than carbon dioxide. It thus became necessary to amend the weak points in the treaty.

We need to be able to learn a lesson in the same way in the case of the Kyoto Treaty. It has to be admitted that it is not at all effective as it stands. It will not cut global emissions and will not even reduce carbon intensiveness. Perhaps the problem lies in the fact that those who were responsible for drafting the Kyoto Treaty assumed that the problem of carbon dioxide could be solved in the same way that applies to freons.

Climate change is an environmental problem on a totally different scale from earlier problems. Whereas ozone depletion concerned problems that were generated by the by-products of industrial or energy production, the cause of climate change lies in something that sustains the entire global economy and global production. The world still runs on carbon. That is why climate change must be seen above all as a problem of industrial engineering. The focus of decisions needs to switch from restricting emissions to a comprehensive reorganisation of energy and material production systems. Let us learn a lesson from Montreal.

**Leopold Józef Rutowicz**, *on behalf of the UEN Group*. – (PL) Madam President, Mr Blokland's report on the regulation of the European Parliament and of the Council on substances that deplete the ozone layer is an important document for further action to protect the ozone layer. I would like to stress that one of the successes of the European Parliament and the Council has been to eliminate the production of and trade in gases containing CFCs, halons, bromides and methyls which deplete the ozone layer and influence the greenhouse effect.

A good example of working ahead would be to undertake work in the country situated beneath the hole in the ozone layer, New Zealand. There, in addition to the activities undertaken in the European Union, work has been started to reduce emissions of methane, one cubic metre of which has a greenhouse effect of the order of 30 cubic metres of CO<sub>2</sub> and which depletes the ozone layer. Methane is a gas produced in processes of decay, by animals, released underground in mines, and through various chemical processes. Due to the quantity of methane released into the atmosphere, it should also be included in further work.

The UEN supports this regulation. I thank Mr Blokland for his labour-intensive and relevant report.

**Satu Hassi**, *on behalf of the Verts/ALE Group*. – (FI) Madam President, ladies and gentlemen, my congratulations go to Mr Blokland for an excellent result. Parliament has succeeded in bringing forward the deadline for abolishing the use of methyl bromide by four years, and, furthermore, the schedule for cutting HCFCs has been made tighter.

It is important that the EU continues to be a pioneer in abolishing the use of substances that deplete the ozone layer, despite the fact that this subject no longer makes the headlines. Many of these substances are powerful greenhouse gases, but they have nonetheless been excluded from the Kyoto Treaty. That was because it was thought that they would be regulated under the Montreal Protocol. It is important that we also remember to attend to this issue and continue to abolish powerful greenhouse gases in the future. It is also important that we set an example to other countries in this matter, including the developing countries.

In the case of substances whose use has been banned in the EU, my group would have liked to restrict their export in a clearer way than has now been agreed. I hope that this principle will be incorporated into legislation when the next steps are taken.

**Avril Doyle (PPE-DE)**. – Madam President, on a point of order before I commence, as there does not appear to be anybody asking to speak under the 'catch-the-eye' procedure – I am subject to correction by you, but I have looked around and assessed the situation – could I add one minute of 'catch-the-eye' speaking time to my one-minute contribution, please?

**President**. – That is fine, Mrs Doyle, please do so.

**Avril Doyle (PPE-DE)**. – Madam President, additional measures for the protection of the ozone layer were adopted by the parties to the Montreal Protocol at their Conference of the Parties (COP) meeting in September 2007. These will now be incorporated in this recast regulation to accelerate the phase-out of ozone-depleting substances (ODS) and to further limit exempted uses of these substances. This recast regulation is essentially about bans and restrictions on the production, import, export, placing on the market, use, recovery, recycling, reclamation and destruction of these ozone-depleting substances.

The Montreal Protocol has been one of the most successful international environmental initiatives to date, with the result that the 1980s level of the depletion of the ozone layer has been largely reversed. Due to the phase-outs on the use of these ozone-depleting gases – CFCs, HCFCs, halons, methyl bromide, with very few time-limited exceptions for certain 'critical uses', for example halons in fire-protection equipment in aeroplanes – there has been a 95% reduction in the consumption of ODS compared to the 1980s.

These substances, we must remind ourselves, also have a global-warming potential. The ozone layer is one of the two layers of the atmosphere that protect life on earth. Specifically, the ozone layer provides protection

from harmful ultraviolet radiation from the sun, which causes multiple illnesses and problems including skin cancer and cataracts.

**President.** – Mrs Doyle, you were as good as your word. Thank you.

**Stavros Dimas**, *Member of the Commission.* – (EL) Madam President, I am sorry that there is not a bigger audience in Parliament today, because we are debating what is in fact a very, very successful protocol, which has brought about very positive results both for the environment and for health, and in progress with restoring the ozone layer, which has now returned to its pre-1980 levels.

I should like to thank all those who took part in this evening's debate for their very constructive comments, and to remark that the Commission is committed to exercising the powers vested in it and examining whether the preconditions apply for the inclusion of a further three substances by mid-2010. A statement on this will be submitted to the Secretariat of the European Parliament for inclusion in the Minutes of today's debate.

I should also like to remark that I believe we shall reach an agreement on combating climate change in Copenhagen at the end of this year which is at least as ambitious and successful as the Montreal Protocol. I trust that it will be even more effective and we must all work in this direction.

To close, I should like to say that the Commission is particularly satisfied with the outcome of the negotiations and is in a position to accept in full the proposed compromise amendments.

### **Commission statement**

*Blokland report (A6-0045/2009)*

The Commission confirms its intention to consider by 30 June 2010 the inclusion of additional substances in Part B of Annex II to the Regulation, in particular evaluating whether the conditions for their inclusion set out in Article 24(3) are fulfilled. This accelerated examination will focus on the following substances:

- Hexachlorobutadiene,
- 2-Bromopropane (iso-propyl bromide),
- Iodomethane (methyl iodide).

**Johannes Blokland**, *rapporteur.* – (NL) Madam President, I would like to extend my sincere thanks to Commissioner Dimas for his commitment to accept the idea put forward by Mrs Hassi, namely that further substances should be investigated for their effects. As far as that is concerned, I would just like to bring methyl bromide to the Commissioner's attention. We still know little about this substance, and its production, for that matter. Happily, it has now been decided to ask the suppliers, during consultation, to report how this substance is produced. In that way we will be obtaining precise information about this substance.

I would also like to convey my sincere thanks to my fellow Members, especially the shadow rapporteurs and those who have spoken this evening, for the support that I have received. Our mutual cooperation has been excellent, in committee and in the negotiations. I would also like to thank the Czech Presidency for the sound agreements we were able to reach, both before and during the negotiations. In every case, the result was satisfactory. I also very much appreciate the support received from the officials of the Commission and of the Committee on the Environment, Public Health and Food Safety and from my own staff. We have truly managed to work as a team, which also made it possible for us to conclude this far-reaching amendment of the law within six months.

I have one more comment to make, in conclusion. I am not very happy with the recasting system. It is not easy to know on what basis you can or cannot make amendments. Luckily, there were lawyers to advise me that the legal basis had been changed in the recast so that we were able to make changes on that basis, otherwise it would have almost escaped our scrutiny. Fortunately, the Council was of the same opinion and at the last minute we were able to put this right in the Committee on the Environment, Public Health and Food Safety. Recasting remains a difficult issue for the work of this Parliament.

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

The vote will take place on Wednesday.

**Written statements (Rule 142)**

**Rovana Plumb (PSE), in writing.** – (RO) This proposal follows the structure of Regulation (EC) No 2037/2000, but adds a new chapter about derogations from the bans on producing, placing on the market and using the substances in question, initially dispersed in several provisions about the stages of elimination of the regulated substances and products.

The key challenges are as follows:

- the reduction of 'banked' ozone-depleting substance (ODS)/greenhouse gas emissions into the atmosphere is necessary as according to estimates, by 2015 these global banks will add up to 2 million ozone-depleting potential tonnes or 13.4 billion tonnes of CO<sub>2</sub>eq.

- exempted uses of ODS where no technically or economically viable alternatives are yet available, for example, methyl bromide for quarantine and pre-shipment purposes.

- new ozone-depleting substances: new scientific evidence shows that the ozone-depleting potential of certain chemical substances not currently controlled by the Protocol is substantially higher, while marketing of these substances is growing rapidly.

The amendment makes the text clearer and simplifies the regulatory framework, while also reducing the administrative burden, thereby facilitating the application of the legislation to ensure the regeneration of the ozone layer by 2050 and prevent the adverse effects on human health and ecosystems.

**Flaviu Călin Rus (PPE-DE), in writing.** – (RO) In my view, we must all be concerned about the health of both the current generation and future generations. Our health is maintained through a clean environment and the atmosphere around us. All scientific studies highlight the fact that the ozone layer is extremely important not only for the population's health, but also for sustaining life on earth.

Unfortunately, there are a number of substances which, when emitted into the atmosphere, destroy the ozone layer, thereby contributing to the increase in the greenhouse effect. Although signs of ozone layer recovery have been observed as a result of the measures taken, it is considered that the level of ozone in the atmosphere prior to 1980 will only be achieved in the second half of the 21st century.

Consequently, I totally agree with additional measures being taken to limit or even ban ozone-depleting substances. I believe that by taking this kind of action we are fulfilling our duty not only to the current generation but to future generations as well.

## **18. Agenda for next sitting: see Minutes**

## **19. Closure of the sitting**

*(The sitting was closed at 11 p.m.)*