

TUESDAY, 21 OCTOBER 2008

IN THE CHAIR: MRS DIANA WALLIS

Vice-President

1. Opening of the sitting

(The sitting opened at 9.00 a.m.)

2. Documents received: see Minutes

3. Texts of agreements forwarded by the Council: see Minutes

4. Action taken on Parliament's resolutions: see Minutes

5. Debates on cases of breaches of human rights, democracy and the rule of law (announcement of motions for resolutions tabled): see Minutes

6. Challenges to collective agreements in the EU (debate)

President. – The next item is the report by Jan Andersson, on behalf of the Committee on Employment and Social Affairs, on challenges to collective agreements in the EU (2008/2085(INI)) (A6-0370/2008).

Jan Andersson, rapporteur. – (SV) Madam President, I hope the Commission comes soon. They have not arrived yet.

I intend to begin by talking about the report in general terms. In the European Parliament we have, on a number of occasions, discussed what policy to conduct in a globalised society. We should not compete for low paid jobs, we should have good working conditions, we should concentrate on human capital, people and investments and other things in order to be successful. We have also discussed on many occasions the balance between open borders and a strongly social EU and concluded that this balance is important.

In addition, we have often discussed the issue, and importance, of the equal treatment of people irrespective of gender, ethnic origin or nationality and established that equal treatment and non-discrimination should prevail.

The report deals with the need for us to have open borders. The committee is in favour of open borders with no restrictions or transitional periods, but at the same time we should have a social EU where we do not compete with each other by forcing lower wages, poorer working conditions, and so on.

The report also deals with the principle of equal treatment, that is to say equal treatment and the absence of discrimination against workers, irrespective of nationality. It must not be the case that people from Latvia, Poland, Germany, Sweden or Denmark are treated differently within the same labour market. This is also the basis for the proposals in the report. The most important proposals relate to the Posting of Workers Directive, as three of the judgments concern posted workers. It is extremely important that we do not turn the Posting of Workers Directive into a minimum directive.

It is true that the directive contains ten minimum conditions that are to be met. These conditions must be included, but the basic principle is equal treatment. Therefore, we must be clear. There must be equal treatment, irrespective of nationality. In any one labour market, for example in the labour market in the German state of Lower Saxony, the conditions applying there should cover all workers, irrespective of where they come from. It is an important principle that must become even clearer after the judgments that have been given.

The second important point is that we have different labour market models. All of these models must have equal worth when it comes to implementation. Certain other things in the directive should also be amended. Moreover, we must make it absolutely clear that the right to strike is a basic constitutional right that cannot be made subordinate to freedom of movement. This applies with regard to the new treaty, but also in a different way in primary law.

Thirdly, EC law must not contravene the International Labour Organisation Convention. The Rüffert case relates to an ILO Convention that deals with public procurement. In this case, those working conditions that are applicable at the place where the work is carried out shall apply. This is the reason for the proposals that have been tabled. I will listen to the debate and would at the same time like to take the opportunity to thank everyone involved, for example the shadow rapporteur, for the constructive cooperation we have had.

(Applause)

Vladimír Špidla, *Member of the Commission*. – (CS) Madam President, ladies and gentlemen, allow me to begin with an apology for the short delay. Unfortunately, I was unable to foresee in time how busy the roads were going to be.

Ladies and gentlemen, the judgments handed down recently by the Court of Justice in the case of Viking, Laval and Rüffert has ignited a broad debate at EU level concerning the protection of workers' rights in relation to increased levels of globalisation and labour mobility. In order for the European labour market to function properly, we must establish good rules. The Posting of Workers Directive is a key instrument in achieving this aim. I would remind you that the aim of the directive is to find a balance between, on the one hand, an appropriate level of protection for workers temporarily posted to another Member State and, on the other hand, the free movement of services within the internal market.

The Commission is determined to ensure that the basic freedoms under the Treaty do not conflict with the protection of fundamental rights. The Commission has expressed the wish to begin an open debate with all of the affected parties so that we may analyse together the consequences of the judgments from the Court of Justice. It is enormously important to have such a debate, as it would clarify the legal position and finally enable the Member States to introduce adequate legal arrangements. The Commission organised on 9 October 2008 a forum on this theme, in which all of the interested parties participated. This forum should become the starting point for the debate which is so badly needed.

The Commission agrees that the increased mobility of workers in Europe has brought with it new challenges, since it involves the functioning of the labour markets and the regulation of employment conditions. The Commission believes that the social partners are best placed to rise to the challenge and to propose possible improvements. Therefore, the Commission has invited the European social partners to examine the consequences of increased mobility in Europe and the judgments of the European Court of Justice. I am delighted that the European social partners have taken up the challenge. The Commission will support their work as required.

The Commission would like to report that the Member States most affected by the judgment of the Court of Justice are at this very moment working on legal arrangements that will ensure harmonisation with the judicature of the Court of Justice. The Commission cannot agree to the proposal for the Posting of Workers Directive also to include a reference to free movement. Such an extension would necessarily lead to misunderstandings concerning the operability of the directive, since it would gloss over the difference between two distinct categories of worker, in other words posted workers and migrant workers. I would emphasise that there is obviously a difference between posted workers and migrant workers.

The Commission agrees with Parliament concerning the need to improve the operation and implementation of the posted workers directive. In this context may I remind you that in April 2008 the Commission accepted the recommendation for greater administrative cooperation called for by the Member States in order to put right the current shortcomings. The Commission also supports greater cooperation through its plan to establish in the future a committee of experts from the Member States. The Commission believes that within the framework of the proposed Treaty of Lisbon there will be a very significant strengthening of social rights through changes such as the new social clauses, thanks to which all other policies of the European Union must take account of social questions and also in view of the implementation of a legally binding reference to the Charter of Fundamental Rights.

Małgorzata Handzlik, *draftsman of the opinion of the Committee on Internal Market and Consumer Protection*. – (PL) Madam President, the report we are today debating has turned the current Posting of Workers Directive into a challenge for collective agreements. I can appreciate that the rulings by the European Court of Justice may not have been welcomed by some of the Member States. Nonetheless, they do ensure a balance between all the objectives of the directive, namely between the freedom to provide services, respect for workers' rights and preservation of the principles of fair competition. I should like to emphasise that maintaining that balance is a *sine qua non* for us.

The main problem regarding proper implementation of this directive is its incorrect interpretation by the Member States. Accordingly, we should focus on the interpretation rather than on the provisions of the directive itself. First and foremost, therefore, a thorough analysis at Member-State level is needed. That will make it possible to identify the difficulties arising out of the rulings and possible challenges before us. Consequently, I believe that at this stage we should refrain from calling for changes to the directive. It is important to bear in mind that the posting of workers is inextricably linked to the freedom to provide services. The latter is one of the fundamental principles of the common European market. In no circumstances should it be perceived a restriction on collective agreements.

Tadeusz Zwiefka, *draftsman of the opinion of the Committee on Legal Affairs*. – (PL) Regardless of the convictions involved, I feel it is unacceptable to criticise rulings by the European Court of Justice. The latter is an independent and impartial institution, vital to the operation of the European Union. We may not agree with the law and we are of course able to change it, but I find it hard to accept criticism of the Court. The latter always rules on the basis of the legislation in force.

I would like to highlight two important points in relation to the issues we are today debating. Firstly, the Court's rulings do not have any impact on the freedom to enter into collective agreements. Secondly, pursuant to the Court's explanations, Member States may not introduce minimum standards in areas other than those mentioned in Directive 96/71/EC on the posting of workers. The Court clearly recognises the right to take collective action as a fundamental right that forms part of the general principles of Community legislation. At the same time, together with other freedoms of the internal market, the principle of free movement of services constitutes an equally important basis for European integration.

As to the implications of this report, the rapporteur is calling for a review of the Directive on the posting of workers, claiming that the Court's interpretation runs counter to the legislator's intentions. I disagree entirely with that view.

Jacek Protasiewicz, *on behalf of the PPE-DE Group*. – (PL) Madam President, every year, within the territory of the European Union, there are around one million people working whilst posted to a country other than the one where the head office of the company employing them is located.

During recent years there have only been a few instances of problems with interpretation of the provisions of the directive and of EU legislation regulating this area. The European Court of Justice considered these few cases. Broadly speaking, it found that the problem does not stem from the content of the directive, but rather from the failure of individual Member States to implement the directive correctly. This indicates that EU legislation created to regulate posting of workers is sound and well drafted. The only potential problem relates to its implementation in individual Member States.

Obviously, this does not mean that the legislation is as good as it could possibly be. It should be noted, however, firstly, that the present directive does protect the fundamental rights of workers by providing minimum guarantees regarding remuneration and health and safety at work. Secondly, the directive does not make it impossible to enter into more favourable arrangements than the minimum conditions of work through collective agreements. I wish to highlight that fact. At the same time, the directive achieves an excellent balance between the freedom to provide services and protection of the rights of workers posted to another country to provide services. That is why, in the report by Mr Andersson, we agreed to ask the Commission to take another look at the directive. We remain absolutely opposed to the view that this is a bad directive, and that there is an urgent need to implement radical changes in European legislation on this area.

Stephen Hughes, *on behalf of the PSE Group*. – Madam President, I congratulate Mr Andersson on an excellent report. I would like to start with a partial quote from paragraph 12 in the report. It says 'believes that the intention of the legislator in the Posting of Workers Directive and Services Directive is incompatible with the interpretations given by the Court'. I agree with that. I was a legislator on both of those directives and never expected that they – when looked at alongside the Treaty – would lead the Court to the conclusion that the economic freedoms take precedence over fundamental rights for workers.

When this sort of thing happens the legislator should act to restore legal certainty. We are a co-legislator and this resolution makes it very clear what we think needs to be done. But, Commissioner, we cannot discharge our duty as legislator until you exercise your right of initiative. I co-chair and co-convene the trade union intergroup in this place. This includes all of the main political groups and brings me into contact with many trade unionists – not only in Brussels and Strasbourg, but out in the regions – and I can tell you that there is widespread and spreading anxiety because of the imbalance thrown up by these judgments.

Commissioner, this is very serious in the approach to next year's European elections. If trade unionists out there decide that Europe is part of the problem, instead of part of the solution, that could be very damaging for all sections of this House and for the democratic process itself.

I am glad to hear you say that you think the Posting of Workers Directive needs improvement, because one of the things we want is a revision of that directive to at least make it clear how collective agreements can be used to put minimum terms and conditions in place and to say how collective action can be used to protect those rights.

So, Commissioner, please listen to this directly elected institution. We do have our ears to the ground. Use your right of initiative and show that you see the need to act.

Luigi Cocilovo, *on behalf of the ALDE Group*. – (IT) Madam President, ladies and gentlemen, I too would like to thank Mr Andersson for this initiative and the input of all the groups and rapporteurs to the final text adopted by the committee. I believe that the position taken by the European Parliament is genuinely important. Let me be clear, Parliament does not question or criticise the Court's judgments *per se*; they are always legitimate, but it seeks to respond to the questions of interpretation of the Posting of Workers Directive posed in part by these judgments.

It is wrong to suppose that this response hides misgivings about certain fundamental freedoms such as the freedom to provide cross-border services; we intend to safeguard this freedom in full, just as we intend to safeguard the principle of healthy and transparent competition. What is not acceptable is the kind of competition that bases itself on the advantage gained through 'dumping', competition drunk on the illusion that it is acceptable to infringe certain fundamental principles such as the free movement of enterprise, and non-discrimination. No matter how much one quibbles over interpretation, this principle is based on a single truth: there should be no difference in treatment between workers, in terms of the country in which the services are provided, whether they are posted or mobile workers, and whatever their nationality. The same rules, including the right to strike, should apply in respect of companies in the country of operation and those using posting arrangements.

We believe that any other model of Europe would be rejected and looked on with suspicion. Free movement also applies to principles, and any derogation from this course would first and foremost damage Europe, never mind the interpretation of a particular directive.

Elisabeth Schroedter, *on behalf of the Verts/ALE Group*. – (DE) Madam President, Commissioner, ladies and gentlemen, equal treatment is a fundamental principle of the European Union. Member States must be able to guarantee that this equal treatment is really being implemented on the ground. The European Court of Justice (ECJ) has put us in a very difficult position here. I cannot hide the fact – which of course is well known – that, in at least one case, the Commission provided a leg up. The right to strike and the right to negotiate collective agreements cannot simply be called into question. That is where we have to react. The Court decision has evoked such a negative image of Europe that many people are now turning away from it: we cannot just stand by and let this happen.

Anyone wishing to promote greater mobility in Europe must ensure that there is equal treatment on the ground. The ECJ has really done us a disservice on this, and in the process has harmed social Europe.

We as legislators must take action in the face of this mess, as the ECJ has also uncovered a weakness in the Posting of Workers Directive: it has shown that a problem arises when workers are service providers. Workers must be treated as workers again, and that is why we need a revision of the Directive.

The principle of 'equal pay for equal work in the same place' must be guaranteed. It has emerged that, according to the ECJ's interpretation, the Posting of Workers Directive no longer guarantees this. We need this revision in order to restore Europe's credibility, as we cannot conduct an election campaign without this project. Otherwise, the problem will arise that the freedom offered by the internal market and the principle of equal treatment on the ground run into difficulties.

As Mr Cocilovo said, it is unacceptable for competition to be based not on quality but on social dumping. We need to act. I would make a renewed plea to this Chamber to adopt the Andersson report in its present form. This is most imperative, as the report offers a highly specific strategy for action on the revision of the Posting of Workers Directive, too. The principle of equal treatment is a principle of social Europe. Restoring this social Europe is the reason we have been elected to this House, and this is why we must adopt the report.

Ewa Tomaszewska, *on behalf of the UEN Group*. – (PL) Madam President, I have noted with regret that all too often economic rights are given priority over fundamental rights and freedoms. This was particularly true of the rulings by the European Court of Justice in the Laval, Viking, and other cases.

It is important to establish the correct order of importance of these rights and to take account of the fact that human beings are more important than money. Rights relating to economic freedoms must not represent an obstacle to individuals' right of association and to collective defence of their rights. In particular, workers have the right to establish associations and to negotiate working conditions collectively. The systems of collective negotiation and the collective agreements on working conditions arising out of the negotiation merit recognition and support. After all, the consent of the responsible social partners ensures social harmony and gives the agreements entered into a chance of success. The ILO's conventions are an example of this approach.

The main challenge currently facing us in the area of collective agreements involves taking account of the fact that migrant workers, posted workers and workers employed in their home country must all be guaranteed the same rights. Congratulations are due to the rapporteur.

Mary Lou McDonald, *on behalf of the GUE/NGL Group*. – (GA) Madam President, over the years workers and trade unions have put their trust in the European Union to improve and protect their working conditions.

Workers across Europe have a right to decent work, to equality for all workers. They have a right to organise, agitate and campaign to improve their lot at work. They have a rightful expectation that the law should recognise and vindicate these rights.

The series of European Court of Justice rulings which the Andersson report purports to address represent an audacious attack on these basic rights. These court rulings have given the green light to the wholesale exploitation of workers. The court rulings are a reflection of the legal status quo, a reflection of the fact that, when workers' rights collide with the rules of competition, it is the rule of competition which prevails. The court rulings have given legal legitimacy to what is called the 'race to the bottom'.

I am very disappointed with this report. It deliberately avoids calling for the changes to the EU Treaties that we all know are needed to protect workers. This call for Treaty change was deliberately and cynically removed from the first draft of this report, despite the overwhelming calls from the trade union movement across Europe for a social progress clause to be inserted in the Treaties.

The vulnerability of workers' rights was one of the main reasons for the Irish vote against the Lisbon Treaty, even though EU leaders conveniently prefer to ignore this uncomfortable fact. If any new treaty is to be acceptable to people across Europe, then it must ensure adequate protection for workers.

We parliamentarians now have an opportunity to insist that the Treaties include a binding social progress clause or protocol. If the amendments to this effect do not pass today, then the European Parliament will have taken yet another step away from the people we purport to represent, and in this case I have no doubt that Irish workers will share my disappointment that the European Parliament has let them down.

Hanne Dahl, *on behalf of the IND/DEM Group*. – (DA) Madam President, the developments we have seen in the labour market in the light of the very far-reaching Rüffert, Laval and Waxholm judgments are in stark contrast to the desire to introduce the flexicurity model as an economic model for Europe, as it seems to be completely forgotten that this very flexicurity model is based on a century-long tradition of the labour market having had the right to negotiate robust and independent agreements. You cannot, then, introduce a model of flexibility in the European labour market and, at the same time, implement legislation or accept judgments that make it difficult for the trade unions to implement and maintain a system based on collective agreements. If flexicurity is introduced and, at the same time, it is accepted that the EU's internal market rules take precedence over wage negotiation and safety of the working environment, the end result will be to have cancelled out the labour struggles of a century. The Andersson report is a bandage on the wound inflicted by the European Court of Justice on the results of one hundred years of labour struggles, and it does not go anywhere near far enough.

Roberto Fiore (NI). – (IT) Madam President, ladies and gentlemen, clearly this report is on the right track in considering labour before the economy and social rights before rights to free enterprise. In essence it defends what is a general concept of social principles that are part of the European tradition.

It must be said, however, that this report does not touch on a fundamental issue of the day, and that is the extraordinarily high number of posted or foreign workers that are flooding national markets. Therefore we

need to pay attention to the 'dumping' that is in effect occurring in countries such as Italy, where a huge number of people, for example Romanians, have overrun the labour market. This would certainly amount to 'dumping', and has a positive impact on big business but a negative impact on local workers.

Gunnar Hökmark (PPE-DE). - (SV) Madam President, I would like to emphasise what is contained in the report and what is not. I would like to thank the rapporteur. He was sympathetic to the different views within the committee, and this means, Mr Špidla, that there is no requirement in report to tear up or redraft the Posting of Workers Directive. To start with, the report contained a lot of condemnation and criticism of the Court, but this has been taken out. This is what we are talking about now.

To emphasise this point I would like to quote in English:

I will quote the English text of paragraph 27: 'Welcomes the Commission's indication that it is now ready to re-examine the impact of the internal market on labour rights and collective bargaining'; and: 'Suggests that this re-examination should not exclude a partial review of the PWD' – meaning 'not exclude'.

(SV) Madam President, this means that there is no need for an amendment. However, a review by the Commission of how this works in practice in the various Member States is welcomed. If this review gives grounds for amendments, these should not be ruled out.

I wanted to say this because the Posting of Workers Directive plays a very important role. One million people have the opportunity to work in different countries. This is also about equal treatment, about equal rights to work in all parts of the European Union, even if someone has a collective agreement from his or her home country. This is what it is all about. As long as people comply with the rules of the Posting of Workers Directive they have the right to work anywhere in the EU. This was also the conclusion arrived at by the Court in the Laval case, for example.

Commissioner, Madam President, the criticism levelled at the Court is no longer included in the committee's proposal and there is no requirement to tear up the Posting of Workers Directive. It is important to remember this as we continue the debate.

Magda Kósáné Kovács (PSE). - (HU) Thank you, Madam President. The problem in today's debate is illustrated by the Latin proverb: 'No wind is favourable to a sailor who does not know what port he is making for'. Unfortunately, neither do we see in today's debate the port where everybody can happily cast anchor. The regulation of the free movement of posted workers was left out of the 2006 compromise Services Directive, but the problem remains, as shown by the reaction to the Court's rulings, and has now hit us over the head. Similarly, the Treaty of Maastricht, the draft Constitutional Treaty and the faltering Treaty of Lisbon cannot be separated from the issues surrounding the free movement of services, that is to say from the recurring debate about which of the two deserves stronger protection: the four fundamental freedoms or social rights, even to the detriment of one another.

True, the EU rules grant a temporary competitive edge to service providers in new Member States. On the other hand, the free circulation of goods and capital has created favourable market conditions for the more developed Member States. I maintain that these are temporary differences, because the quality and conditions of the goods and money markets and the labour and service markets will necessarily grow closer to one another. Therefore our first task is not to rewrite legislation and oppose court rulings but to implement the existing regulations in a consistent and effective manner. Nowadays wars are not waged primarily with weapons, but financial crises like the current one today may wreak as much havoc as a war. I hope that Parliament and all other EU decision-making forums, mindful of our post-WWII desire for lasting peace and cooperation, will strive for an equitable solution to ensure that we are members of a long-lasting, prosperous, mutually supportive and cohesive community. Meanwhile, closed-minded protectionism should be left to fall by the wayside. Thank you, Madam President.

Olle Schmidt (ALDE). - (SV) Madam President, thank you, Mr Andersson, for an important report. Much revolves around the Laval ruling, where the Swedish trade union went too far. The report contains a lot of things that I do not like. It has a particular tone when interpreting the European Court of Justice and in several places there are indications of what Mr Andersson originally wanted, that is to tear up the Posting of Workers Directive. However, this is not stated in the revised report, as Mr Hökmark so rightly points out. Now it is a question of not excluding a partial review of the Directive, which is more in line with the opinion of the Committee on Internal Market and Consumer Protection, for which I was responsible.

The vote will hopefully also establish that the Posting of Workers Directive does not need to be torn up. Please see proposals 14 and 15 from the Group of the Alliance of Liberals and Democrats for Europe.

Mr Andersson, it is wrong to believe that the Swedish model is best preserved by going via Brussels. It is precisely the reverse. If we go via Brussels then we may endanger the Swedish model based on responsible parties and we will get legislation and minimum wages in Sweden. This cannot reasonably be in the interests of the Swedish trade unions.

Roberts Zīle (UEN). - (LV) Thank you, Madam President and Mr Špidla. Often, what lies behind seeming attempts to safeguard labour standards and to provide equal working conditions is in fact protectionism and a clear restriction on free and fair competition. An individual's pay ought to be dependent on his or her success and productivity at work, and not on what the social partners agree. As a result of this, all the participants in the European Union internal market are currently losing out, since the EU's competitiveness on world markets is waning. We do not need to make amendments to the Posting of Workers Directive in order to apply it to the social welfare systems of a few Member States. The European Union's fundamental duty is to ensure that businesses from the old and the new Member States have equal rights of operation in the internal market in services. If we do not like the decisions of the European Court of Justice, we change the law. I am not sure whether this kind of thing makes the European Union more comprehensible to its citizens.

Gabriele Zimmer (GUE/NGL). – (DE) Madam President, I should like to start by objecting to the spirit of something we heard a few minutes ago, namely that our labour market was being overrun by foreign workers.

Secondly, I should have liked to see a clearer, more unambiguous report by the Committee on Employment and Social Affairs. Confidence in the social cohesion of the European Union can be achieved only if fundamental social rights are defined as primary European law. We should send the Council, the Commission, the Member States and the European Court of Justice a stronger signal, and not content ourselves with just calling for a balance between fundamental rights and the freedoms of movement of the internal market. This will not effect change. Like liberties, fundamental social rights are human rights, and must not be curtailed as a result of internal market freedoms of movement.

The important points here are that we must defend and improve the European social model and that it is high time we introduced a social progress clause as a binding protocol to the existing EU Treaties. It is time that the Posting of Workers Directive was amended such as to prevent requirements on wages and on minimum standards being limited to minimum requirements.

Hélène Goudin (IND/DEM). - (SV) Madam President, one of Mr Andersson's foremost conclusions is that the labour market should be safeguarded by amending the European Posting of Workers Directive. As far as Sweden is concerned, the best solution would instead be for it to be clearly laid down in the EU Treaty that matters relating to the labour market should be decided at national level. If we have learnt anything from the Laval ruling it should be that our labour market should not be controlled by meddling EU legislation.

The June List advocates Swedish exemption from EU labour law. It would be interesting to hear what Mr Andersson thinks of this suggestion. Is EU legislation always the way forward? The Laval ruling is the result of the EU Social Democrats and right of centre politicians having said 'yes' to amendments to the EU Treaty, thereby giving the EU and European Court of Justice even more power over labour market policy. We will, of course, be voting against Mr Andersson's homage to the Treaty of Lisbon.

Philip Bushill-Matthews (PPE-DE). - Madam President, the PPE-DE Group did not support Jan Andersson's report as originally drafted. However, as the result of good work by our shadow, working with other shadows, to quite considerably rewrite the report, we were comfortable with supporting it in committee. Indeed, our group will also be proposing to support it today in its current form. Having said that, there are certain amendments which we are also keen to see supported. Hopefully, he will give consideration to that on his side.

I will just pick up on one very important point. Stephen Hughes referred to the fact – which I am sure is true – that there is widespread anxiety amongst trade unions regarding possible limitations on the right to strike. I would not argue with that, but I hope he would not argue with me when I say that there is widespread anxiety amongst workers about potential limitations upon the right to work. I have not heard enough – either in this debate or in the committee – about that important right. Of course the right to strike is a

fundamental right: that is not in dispute. But the right to work – the freedom to work – is also a very important right, and that is something that, on this side of the House, we would like to see underlined.

Proinsias De Rossa (PSE). - Madam President, the internal market is not an end in itself. It is an instrument for the improvement of living and working conditions for everyone, and therefore weaknesses in the Posting of Workers Directive which can be used to facilitate a race to the bottom must be removed as a matter of urgency.

The Socialist Group has managed to construct an overwhelming majority of members in the Committee on Employment and Social Affairs in support of such reforms. The only groups standing aside from this consensus are the far right and the far left and they prefer to play party politics rather than seek to find a political solution to the problems.

We in this Parliament must deliver a clear demand to the Commission and the Member State governments that decent pay and working conditions cannot be sacrificed on the altar of the single market. Europe can only be successfully competitive on the basis of high-quality services and goods, not on the basis of driving down standards of living.

I welcome the Commission's indications today that it is now ready to re-examine the Posting of Workers Directive, that it is in need of reform, but the question, Commissioner, is when? When will you bring forward an initiative to this House clearly outlining what amendments you are proposing to the Posting of Workers Directive?

There is clearly a need to safeguard and to strengthen equal treatment and equal pay for equal work in the same workplace, as already laid down in Article 39(12) of the European Community Treaty. The freedom to provide services or the freedom of establishment, the nationality of the employer, of employees or of posted workers cannot serve as a justification for inequalities concerning working conditions, pay or the exercise of fundamental rights such as the workers' right to take collective action.

Anne E. Jensen (ALDE). - (DA) Madam President, the point I want to make is, stop attacking the European Court of Justice and the Posting of Workers Directive. It is the Member States that should make more effort. Following the Laval judgment, we in Denmark are now implementing a change to the law, agreed with both sides of industry. Nine lines of legislative text ensure that trade unions can take industrial action to safeguard working conditions that are the norm in the particular sphere concerned. The Swedes are also apparently looking into how in practice to implement the Posting of Workers Directive. We must not change the directive. We must have better information so that employees are aware of their rights, and employers of their obligations. What is needed is better implementation of the directive in practice.

Jan Tadeusz Masiel (UEN). - (PL) Madam President, in a few months' time we shall once again turn to the citizens of the European Union and ask them to choose their representatives at the European Parliament. Once again, the citizens will not understand why they are being called on to do so, or what purpose this Parliament serves. Once again, therefore, the turnout at the elections will be low.

Today's debate on the Posting of Workers Directive and the ruling by the European Court of Justice demonstrates that one of the purposes the European Parliament serves is to protect the citizens against certain policies advocated by their own governments. These policies can be short-sighted and biased. In this case they are also unduly liberal. Currently, the European Parliament and the European Court of Justice are giving priority to defending labour rights over defending the freedom of entrepreneurship. It is impossible to oppose the principle of equal treatment for workers across the entire Union. We all have to pay the same prices in the shops and we call for equal pay for equal work across the entire Union.

Thomas Mann (PPE-DE). - (DE) Madam President, one of the accomplishments of the European Parliament that has attracted the most attention is the amendment of the 'Bolkestein Directive' by replacing the country of origin principle with the principle of freedom to provide services. Employees need fair working conditions, and companies, especially SMEs, need protection from the cut-price competition threatening their survival. Let us take care that the result is assured in the long term.

As this debate has just revealed, the recent judicial rulings in the Viking, Laval and Rüffert cases cast doubt on this. Is it true that the European Court of Justice deems freedom to provide services more important than the protection of workers? Does it consider the right to strike subordinate to the right to freedom of movement? Whilst it is acceptable to question individual judgments, it is equally unacceptable to call into question the independence or legitimacy of the institution.

Obtaining clarification does not require modification of the Posting of Workers Directive but instead consistent implementation in the Member States. This is the necessary balance between safeguarding freedom of movement and protecting workers. The principle of 'equal pay for equal work in the same place' must not be weakened.

Working conditions exceeding the minimum level do not hinder competition, and collective bargaining must on no account be curtailed. We need to say a clear 'no' to any kind of social dumping and a clear 'no' to attempts to create 'letterbox companies' intended to avoid minimum standards for pay and working conditions. Social principles must not be subordinated to economic freedoms.

Only when there is fair play in the European Union can we obtain the urgently needed endorsement by companies and SMEs of the concept of the social market economy.

Zuzana Roithová (PPE-DE). – (CS) Mr President, ladies and gentlemen, one of the valued characteristics of this parliament is its success in achieving consistent positions. I do not agree with the undermining of the Posting of Workers Directive. On the contrary, what is required is to adhere to it in full. The judgments from the Court of Justice provide a clear direction. The report on collective agreements strikes a blow at these judgments and also at the compromise reached in the debate on the Services Directive in the European Parliament. I cannot support this. Dumping works through illegal employment practices and circumvention of the directive. I would therefore ask, ladies and gentlemen, that you support our amendment proposals, which refer to the current legislation. Entrepreneurs have a right to provide services across borders under the terms and conditions of the current directive and I agree that there is a need to ensure that people, in other words employees, are generally aware of this.

Csaba Sándor Tabajdi (PSE). – (HU) The bogeyman of the Polish plumber has now been replaced by the menacing shadow of the Latvian construction worker. The re-emerging unseemly debate has caused a great deal of harm to the entire EU. Some people are sounding the alarm bell about social dumping, an unlimited invasion by workers of new Member States. This is factually untrue. Let us be realistic. Let us not threaten voters with such talk. The twelve new Member States have almost no comparative edge. One of these advantages, relatively cheaper labour, will only last only a few years. Fortunately, salaries are rising in our countries too. I appeal to you that when you talk about equal treatment – this is another aspect of this matter –, let there be equal treatment for new and old members alike. If we limit the potential inherent in the competition within the internal market, if we restrict freedom of enterprise, this will damage the entire EU. The social aspect, however, is extremely important for me too. Thank you.

Marian Harkin (ALDE). – Madam President, in the recent debate on the Lisbon Treaty in Ireland, the issues thrown up by the Laval and Viking cases were centre-stage in many of the debates and contributed to real uncertainty and unease. I have heard many of my colleagues here this morning re-echo these sentiments, and that is why I am pleased with the efforts of Parliament here this morning.

I am also reassured by the words of the Commissioner when he says that the Commission agrees with Parliament that the Posting of Workers Directive needs to be improved and properly transposed.

The view of Parliament is quite clear. In paragraph 33 it reaffirms that fundamental social rights are not subordinate to economic rights in a hierarchy of fundamental freedoms, and later in the report it emphasises that the freedom to provide services does not contradict and is not in any way superior to the fundamental right to strike. These statements are crystal clear and indicate where Parliament stands, and we now look to the Commission to take the baton and run with it.

I started with Lisbon and I will finish with it: ratification of the Charter of Fundamental Rights and the inclusion of the social clause in the Lisbon Treaty would have improved the situation of workers across the EU.

Bairbre de Brún (GUE/NGL). – (GA) Madam President, trade unions are losing their rights to negotiate better pay and conditions for their members. Governments are prevented from legislating to improve the lives of workers.

I agree with my colleagues here today, that a binding social progress clause inserted in the EU Treaties is the minimum requirement needed to ensure that this does not happen.

Yet, Mr Andersson's report does not go to the heart of the matter. It could be strengthened by several amendments. The European Court of Justice rules in accordance with the Treaties. As long as the Treaties

allow for restrictions on workers' rights and the lowering of pay and conditions, the Court of Justice cannot rule otherwise.

Luca Romagnoli (NI). – (IT) Madam President, ladies and gentlemen, I welcome the Andersson report because it focuses on principles by which the internal market should be governed with regard to the balance between the free movement of services and the inalienable rights of workers.

If in practice the issues will be tackled at national level, here on the other hand we need to intervene to combat the negative social and political effects of the free movement of workers. We must therefore review the Posting of Workers Directive, summarise the social clauses of the Monti and Services Directives and approve the Directive on temporary workers, to whom the same rules should apply as for permanent workers.

Lastly, I support the urgency of taking appropriate measures to combat 'letterbox companies' created to provide services outside of their State of establishment, circumventing the applicable rules on pay and working conditions in the State in which they operate. In conclusion, with a few exceptions, I am in favour of the report.

Mairead McGuinness (PPE-DE). - Madam President, as others have said, the Laval judgment and others did cause some controversy during the Lisbon Treaty debate in Ireland and were used and abused in that regard.

This report deals primarily with the principles of the internal market, but it calls for equal treatment and equal pay for equal work, and that has to be our guiding principle here today. Social dumping is something of huge concern, but could I just suggest that we will have a strange and unique situation in Europe, where countries like Ireland that had an inflow of workers may yet see that situation change? It is in all our interests that our workers, wherever they are in the European Union, have good and equal rights.

Could I also suggest that Europe has a much greater problem staring it in the face: the movement of entire businesses and companies outside the European Union, obviously taking the work and the economics of their business outside our borders, while we simply import the results? That is an issue we have to tackle.

Costas Botopoulos (PSE). - (EL) Madam President, I consider the Andersson report to be a brave move on the part of the European Parliament, because what is at stake is a balance between legal principles and political perceptions which bears directly on the lives not just of the workers, but of all citizens.

It is no accident that the cases which we are debating crystallised the objections both of legal circles—believe me, I am a lawyer and I know—and all the citizens of the European Union who feel that the European Union does not understand them. As we have heard, they were one of the prime reasons why the people of Ireland said 'no' to the Treaty of Lisbon.

And yet, strange but true, it is precisely the Treaty of Lisbon that would most probably be a solution in this case, because it would put the interpretation of the corresponding provisions in a different light. The social clause and the special clauses in the Charter of Fundamental Rights would most probably force the Court to take a different view.

Søren Bo Søndergaard (GUE/NGL). - (DA) Madam President, my Danish fellow Member from the Group of the Alliance of Liberals and Democrats for Europe said earlier that the problem we faced following the Waxholm ruling had been solved in Denmark. That is something I have to say is not true. People may think they have solved the problem, but any solution is actually due to a decision by the European Court of Justice. That is precisely the problem, of course: the fact that the issue of whether people are entitled to strike in various Member States is now decided by the European Court of Justice. That is why we should have re-designed the treaty: to have it specifically laid down that such a state of affairs cannot be right. Mr Andersson's report does not specify that, unfortunately. It contains some constructive passages, but has nothing to say about this particular issue. What is also missing from it is a clear requirement that the Posting of Workers Directive should be changed, and I would therefore urge you to vote in favour of those amendments that clarify these matters so that we might obtain a clear policy from the European Parliament.

Elmar Brok (PPE-DE). – (DE) Madam President, Commissioner, ladies and gentlemen, allow me to say a few more words on the subject.

Freedom of movement is one of the great achievements of the European Union. We must also make clear, however—and certain countries with lower standards will soon understand this, as their standards will be raised—that freedom of movement must not result in a kind of competition becoming the norm that involves

dispensing with the social standards that have evolved. Europe must not stand for the abolition of social and workers' rights that have been long fought for. For this reason, we should make clear that this has never been our policy, and that it is one that should never be implemented.

If a job is done in one country, the same pay should be received for the same work. There must be no class society, with foreign workers working for less money. This is unfair on both sides; and that is why we should make this clear.

Yannick Vaugrenard (PSE). – (FR) Madam President, I should like to begin by commending the work of our colleague, Mr Andersson. What exactly does the European Union want, though? A single market abandoned to unbridled competition that quashes collective rights as a whole, or a regulated single market that enables the citizens to carry out decent work throughout Europe?

The messages from the European Court of Justice, often those from the Commission, and at times those from the Council Presidency, are neither clear nor always consistent. A society is only worth, and only survives by, the contract with which it provides itself. Deregulation, the 'every man for himself' approach, leads to even more deregulation and, ultimately, to the explosion of the system.

This is not what we want. Yes, indeed, we want an internal market, but a market that serves to improve the living and working conditions of our fellow citizens. The Treaty of Lisbon sets out a number of principles, including the right to negotiate collective agreements. Let us ensure that this principle is respected by the European Union and by all the Member States.

Ilda Figueiredo (GUE/NGL). – (PT) Madam President, it is not enough to criticise the unacceptable positions adopted in the rulings of the Court of Justice of the European Communities, which represent a serious attack on the most fundamental rights of workers. We must go much further and comprehensively amend the European Treaties to prevent such situations happening again.

The rejections in the referenda of the so-called European Constitution and the draft Treaty of Lisbon are clear proof of popular discontent with this European Union which devalues workers and fails to respect their dignity. I regret the fact that this report does not reach the same conclusions, although it does criticise the positions adopted in the judgments of the Court of Justice, in defence of workers' rights. However, this is not enough.

Vladimír Špidla, Member of the Commission. – (CS) Ladies and gentlemen, I would like to thank the rapporteur and yourselves for the debate which has now begun, as it is a debate on an exceptionally sensitive and profound topic. I think that the debate witnessed a whole range of views which might provoke vigorous discussion, as well as a whole range of views expressed in opposition. Apart from anything else this underscores the significance and challenging nature of this debate. I would like to stress a few of the fundamental ideas. To start with, the rulings from the court in Luxembourg has not weakened or attacked fundamental rights. There is simply no truth in this. I would also like to state that the court in Luxembourg, apart from anything else, was the first to declare through its jurisprudence, that the right to strike was a fundamental right. This had never previously been formulated in jurisprudence or in our legal system.

I would also like to respond to the notion often voiced in the debate that the question of posted workers is a matter which divides the old Member States from the new ones. I can report that the country which posts the highest number of workers is the Federal Republic of Germany. The country posting the second highest number of workers is Poland, the third is Belgium and the fourth is Portugal. The idea that posting involves a movement from the East to the West, from the new to the old, is also not correct. Equally incorrect is the idea that posting workers implicitly involves social dumping. I would like to state that it is a basic policy of the Commission to reject and oppose actively any form of dumping, and that includes social dumping. It is also a policy of the Commission to safeguard the social standards that we have achieved and not in any way to undermine them under any circumstances whatsoever.

I would also like to state that in the debate which was opened at the workshop, most of the Member States to which the rulings in the case of Laval, Rüffert applied did not take the view that we should amend the directive. A clear majority of them saw a solution within the framework of applying national law and a number of them are well on their way in this process. I would like to mention Denmark and Luxembourg, and I would also like to state that, according to information I have received from Sweden, a very important decision is due to be taken there within about fifteen days, a decision which has been discussed in great depth and detail by the social partners and the government.

I would also like to state, although this is a detail, that the so-called firms with PO box addresses are not a manifestation of the posting of workers or of freedom of movement. You may find a few hundred examples of these within the framework of the internal market of individual states and it is in my view an open question. Another very significant matter which I would like to stress is that the judgments handed down so far by the court in Luxembourg are responses to an earlier issue. It rests with the national courts to make definitive rulings as this lies within the authority of the national courts.

Ladies and gentlemen, I feel it is absolutely necessary to stress that this is a very fundamental issue. The Commission is following it from the standpoints that we have been talking about and is prepared to take any necessary measures to resolve the situation and to find a corresponding consensus, because to reiterate once again, it has not been clear even in this debate where the dividing line lies. There is much work still to be done but allow me to state and to emphasise that the importance of the social partners in this area is vital.

Jan Andersson, rapporteur. – (SV) Madam President, I should like to make a few short comments:

There is a difference between the Court's tasks and us as legislators. The Court has had its say. As legislators we must act now if we find that the Court has not interpreted the legislation as we would wish. In the report, we say that we, and the Commission, should take action. We should not exclude amendments to the Posting of Workers Directive, which is something that we also point out. There is no conflict between freedom of movement and good social conditions. Quite the contrary.

A few words about the amendments proposed by the Group of the European People's Party (Christian Democrats) and European Democrats. Unfortunately, they contain numerous contradictions where they seek compromises. On the one hand, they criticise one-sided opinions from the Council and, on the other, they welcome opinions. There are many contradictions in their amendments. I say 'no' to exemptions for certain special countries, because these are European problems that we should solve together. Different labour markets should operate side by side.

We say 'yes' to the new Treaty, as the problems with the judgments occurred under the old Treaty. I am not saying 'no' to measures at national level. Such measures are necessary in Sweden and Germany, for example, but we also need measures at European level.

Finally, I would like to say that it is now up to the Commission to act. If the Commission does not listen to Parliament and in particular to what people in Ireland, Germany, Sweden and other Member States are saying, the European project will suffer greatly. This is one of the most important issues for the citizens of Europe. Freedom of movement – yes, but good social conditions and no social dumping. We must work to achieve this, so Parliament must be listened to.

(Applause)

IN THE CHAIR: MR PÖTTERING

President

President. – The debate is closed.

The vote will take place on Wednesday, 21 October 2008.

Written Statements (Rule 142)

Ole Christensen (PSE), in writing. – (DA) Mobility in the European labour market must be increased. There must therefore be more focus on equal treatment and non-discrimination.

It is only right that anyone moving from one country to another for a job should work under the conditions applicable in their new country.

Countries should look at the way they implement the Posting of Workers Directive so that it gives rise to greater clarity.

European solutions are also required, however.

- The right to strike must not be subject to the rules governing the internal market.

- The Posting of Workers Directive must be adjusted to the original intentions behind it. It needs to be possible for countries to create better conditions for posted workers than the minimum requirements. In that way

we shall increase mobility and the equal treatment of employees, as well as collective agreements including the right to take collective industrial action.

Richard Corbett (PSE), in writing. – The Andersson report is a useful contribution to this controversial and highly legally complex debate. In particular, its recommendation that EU countries should properly enforce the Posted Workers Directive, and the demand that the Commission draft legislative proposals to deal with the legal loopholes thrown up by the judgments and prevent any conflicting interpretation of the law, are welcome. We have to ensure that the Posted Workers Directive does not allow social dumping and for collective agreements to be undermined by workers from other EU countries undercutting wages and working conditions in the host country.

We should not blame the Court, which merely clarifies what the law says – after all, the court has also given numerous favourable judgments from a social perspective – rather, we should focus our attention on rectifying the underlying legal situation. The Commission itself stated in April this year that the fundamental right to strike and to join a trade union does not override the right to provide services.

It is vital that this report does not mark the end of the debate. If necessary, we should use our powers to veto the new Commission if they do not include the necessary legislative proposals in their first work programme.

Gabriela Crețu (PSE), in writing. – (RO) I would like to make a clarification. Workers from the eastern part of the European Union are not engaged in and do not want social dumping. They are not the ones who want to sell themselves cheaply. Unfortunately, the costs of revamping and redeveloping the workforce are comparable in both the east and west. Some costs are even higher in Romania than in other areas, but the bills need to be paid here too.

Responsibility for creating this precarious situation on the labour market and for making working conditions worse in the European Union does not lie with the workers, but with those exerting the maximum pressure possible in order to abolish the existing guarantees under labour law, with a single objective in mind: to maximise profits by any means, including through sacrificing all the values and principles which we regard as the shared benefits gained by Europe's societies.

It is our duty in this case to protect the entitlement of workers from Eastern Europe to enjoy a fundamental right: equal pay for equal work. Socialists and trade-unions, primarily, need to avoid creating a false, artificial division within the group of those who can achieve these rights only if they maintain solidarity. They do not have any other clout apart from solidarity.

Marianne Mikko (PSE), in writing. – (ET) Workers' freedom of movement is one of the four freedoms of the internal market. If we wish Europe to become integrated more rapidly, it is essential that we assuage Western European workers' fears of Eastern European workers, without at the same time closing labour markets. Unfortunately, the desire of several Western European trade union organisations to close markets to the new Member States once again will not help unite Europe. This is an economically incompetent path that misinforms workers, creates mistrust and is not in the spirit of international solidarity.

The movement of labour is one solution with which to overcome labour shortages in certain sectors. There are areas where bus drivers are in great demand and areas where there is a shortage of qualified doctors. Such movement must not be stopped.

Since equal treatment is one of the fundamental principles of the European Union the free movement of workers should take place on equal terms. The widespread principle that foreign workers are paid less than the citizens of the host country is not in accordance with that principle. I agree with the principle highlighted in the report – equal treatment and equal pay for equal work.

In sending workers within the European Union it is necessary that at least the minimum wage be guaranteed.

The mechanisms for the protection of workers differ historically from one part of Europe to another. It is, however, time that we also change practices in this area. If workers now only defend their national distinctiveness they have voluntarily surrendered. It is very difficult to explain the impossibility of change to people from new Member States, considering that Estonia, for instance, was able to implement the entire *acquis communautaire* in less than six years. The protection of workers is a sufficiently noble objective, and we should make an effort to achieve consensus.

Siiri Oviir (ALDE), in writing. – (ET) The spontaneous report under discussion is unbalanced and has protectionist leanings. No one questions the right to strike, but this must not be allowed to go so far as to endanger the competitiveness of the service providers.

Today we have discussed specific rulings of the European Court of Justice, in particular the Laval, Rüffert and Viking Line cases. I would like to draw attention to the fact that none of the above-mentioned judgments involve the content of any collective agreements that could be signed in Member States or the right to conclude such agreements. The right to take collective measures belongs to the scope of regulation of the Treaty Establishing the European Community, and must therefore be justified by significant public interest and be proportional.

7. European Council meeting (15-16 October 2008) (debate)

President. – The next item is the European Council report and the Commission statement on the European Council meeting (15-16 October 2008).

Mr President-in-Office of the Council, Mr Sarkozy, Mr President of the European Commission, Mr Barroso, over the last few weeks we have endured some extremely difficult moments in which the European Union, under your Presidency, has demonstrated its ability to take action. Had the countries of Europe not found a common solution, had there not been an agreement between the European partners, and had there not been the euro, it is highly likely that we would have found ourselves in a disastrous situation today.

The Eurogroup proposals of ten days ago, the European Council's decisions of last Wednesday and the commitments entered into this weekend at the Camp David Summit are a series of successes that reflect a genuine coordination of actions and efforts aimed at carrying out the reforms needed to respond effectively to the problems of the global economy. However, the governments were not the only ones to respond to the crisis. The European Council, under your leadership, working side by side with the European Commission and with the European Parliament, has ensured that the European Union played a crucial role regarding the well-being of all our citizens, to whom we are all responsible.

It has often been in times of crisis that the European Union has demonstrated its true strength, thanks to you, Mr Sarkozy, and thanks to the President of the Commission, Mr Barroso. European action has been joint action. That is why, before opening this morning's debate, I should like to congratulate you, Mr President-in-Office of the Council and Mr President of the Commission.

Nicolas Sarkozy, President-in-Office of the Council. – (FR) Mr President, ladies and gentlemen, it is an honour for me to come here once again before the European Parliament to report on the work of the Council Presidency at such an important time for Europe. If I may, I will try to speak very freely, as is only right and proper in this House, which is the heart of the democratic Europe to which we all aspire.

What have we tried to achieve? Firstly, it was the Presidency's wish for the European institutions to be united in the face of all the crises that we have had to manage. It was my wish for the European Parliament to be involved at all times in the major events that we have experienced, and I should like to thank the chairmen of your groups, of all political persuasions, who have been involved in this dialogue and have worked together with the Presidency of the Council.

It was also my wish for us to work hand in hand with the Commission and in particular with its president, because, regardless of the divergences or differences between everyone sitting in this House, everyone is well aware that division between Europe's institutions weakens Europe and that the duty of those who assume responsibilities is to work hand in hand. We will move Europe forward if the European Parliament, the Commission and the Council find the path to consensus on the major issues, so ensuring that Europe's voice is heard.

(Applause)

We wanted, first and foremost, for Europe to stand united – something that has not been easy to achieve. We wanted it to think for itself, because the world needs Europe's thinking, and for it to be proactive. If Europe has something to say, we want it not just to say it, but to do it.

First we had the war, with the altogether disproportionate reaction of the Russians during the Georgian conflict. Words have meaning. I use the word 'disproportionate' because it was disproportionate to intervene as the Russians did in Georgia.

(Applause)

However, I use the word 'reaction' because, if that reaction was disproportionate, it is because an entirely inappropriate act had taken place beforehand. Europe has to be fair and should not hesitate to step out of ideological frameworks in order to bring a message of peace.

On 8 August, the crisis began. On 12 August, we were in Moscow with Bernard Kouchner for the purposes of achieving a ceasefire. I am not saying that this was ideal; I am simply saying that, within four days, Europe managed to bring about a ceasefire. At the beginning of September, Europe obtained a commitment for a return to lines held before the start of the crisis on 8 August. In two months, Europe secured the end of a war and the withdrawal of occupying forces.

There were many views on the matter. Some said – and they had reasons for saying it – that dialogue was pointless and that the response to military aggression should be a military one. What madness. Europe saw the fall of the Berlin Wall and the end of the Cold War, Europe must not be party to a new cold war that is suffered for no other reason than a lack of composure.

(Applause)

This was a problem that we overcame with our US allies, who believed that the visit to Moscow was untimely. In spite of everything, we worked hand in hand with our US allies. Their position differed from ours. We tried to work with them rather than against them, and, frankly, given the state of the world today, I emphatically do not believe that it needs a crisis between Europe and Russia. That would be irresponsible. We can therefore defend our ideas regarding respect for sovereignty, respect for the integrity of Georgia, human rights and the differences we have with those who lead Russia, but it would have been irresponsible to create the conditions for a conflict that we by no means need.

Discussions have begun in Geneva on the future status of these Georgian lands that are Ossetia and Abkhazia. I am told that they have begun under difficult circumstances, but who could have imagined it being any other way? The important point, though, is that they have begun. I must also say that President Medvedev has kept the promises he made before the Commission Presidency and the Council Presidency when we travelled to Moscow at the beginning of September.

Europe has brought about peace. Europe has secured the withdrawal of an occupying army and Europe has sought international negotiations. It has been a long time, I believe, since Europe has played such a role in a conflict of this kind.

Naturally I see all the ambiguities, all the shortcomings, all the compromises that had to be made, but in all conscience, I believe that we have achieved everything we could have achieved and, above all, Mr President, that, if Europe had not ensured that the voice of dialogue and the voice of reason were heard, no one else would have done so. Furthermore, when we left for Moscow and Tbilisi on 12 August, with Bernard Kouchner, the entire international media were well aware that the Russians were 40 kilometres from Tbilisi, and their aim was to overthrow Mr Saakashvili's regime. That was the way things stood. We came very close to a catastrophe but, thanks to Europe – a determined Europe – such a catastrophe did not occur, even though, Mr Pöttering, a great deal of work will of course need to be done to ease tensions in that part of the world.

My second point concerns the crisis, the systemic, unbelievable, improbable financial crisis that began – let us present the true picture – on 15 September, not on 7 August 2007. On 7 August 2007, a crisis began that was serious and worrying but, dare I say it, normal. On 15 August 2008, we entered into another crisis, for what happened on 15 August 2008? Lehman Brothers went bankrupt – and the world, stunned, discovered on 15 August 2008 that a bank can go bankrupt.

It is not up to us, and it is not up to me, to pass judgment on what the US Government did or did not do. All I am saying, and I maintain this, is that, on 15 September 2008, the serious crisis became a systemic crisis, with the collapse of the US financial system, followed by the collapse of the European financial system, and then gradually of other stock exchanges and financial systems.

What attempts were made at that time? There was the first Paulson plan, which did not work. I am not being critical in saying this; I am describing the reality of the situation. At the time we, together with the President of the Commission, tried to put together a common European response, first within the euro zone. Mr President, you have spoken about this; whether people are for or against, the fact remains that, in the euro zone, we have the same bank and the same currency, and therefore the same duty to unite.

Obtaining a common position was not easy. We began by proposing a meeting of the four European countries who are members of the G8. It is not an insult to anyone to say that the influence, for example of the United Kingdom, on the global financial system is greater than that of other countries among the 27. I said that, if, by some feat of imagination, we could manage to secure an agreement between the United Kingdom, Germany, Italy and France, it would not be to the detriment of the other countries of Europe, but it would be to their benefit.

Of course, opinions differed, and who could blame us? In the first few days of the crisis, we did not know initially how best to respond to a crisis, the likes of which had never been seen before in economic history, or in the 20th century, at least. So, I said to myself: once the four have gathered together, we should also bring together the countries of the Eurogroup, plus Slovakia, which is due to join us. That extra week enabled us to find a solution together that would allow the banks to resume their work: lending. However, we found ourselves with a situation whereby the banks were no longer lending to each other, as they no longer had any money to lend, and the entire system was collapsing. We had banks being nationalised in the United Kingdom, banks going bankrupt in Belgium, an Icelandic system – outside Europe but so close to Europe – that was collapsing, very bad news in Switzerland and, little by little, contagion: Germany, France, all swept along. We, in the Eurogroup, succeeded in reaching an agreement on a huge plan – EUR 1 800 billion – to allow our financial institutions to get on with their work and to reassure savers and entrepreneurs in Europe.

Next, we went to the European Council, which adopted the same strategy, and, from then on, we were able to calm the markets in Europe. We had a nice surprise: the Paulson II plan then arrived, and everyone could see that it was largely inspired by the European plan. There is no kudos to be had from this; it is simply a matter of reflecting on the fact that the crisis is global, and so the response can only be global. The United States and Europe need to be aligned.

However, all this is about crisis management, Mr President, nothing more, nothing less. Had we not done this, what would have happened?

We still have to provide the right responses. How could all this have been possible? How can we prevent a repeat of all this? Moreover, does Europe have ideas to uphold or a policy to propose? It was within this context that, on behalf of Europe, I proposed, at the United Nations General Assembly, at the start of September, that an international summit be held to lay the foundations of a new Bretton Woods, with reference to what took place in the wake of the Second World War so as to establish a new global financial system. This idea is making headway. What must Europe's objective be within the context of this summit? Europe must put forward the idea of a radical reform of global capitalism.

What has happened has been a betrayal of the values of capitalism, not the calling into question of the market economy. There was a lack of rules, and we saw the rewarding of speculators to the detriment of entrepreneurs. We must put forward the idea of new regulation. Europe must and will propose ideas. Firstly, Mr President, no bank that works with government money should be able to work with tax havens.

(Applause)

No financial institution should be able to operate without being subject to financial regulations; traders should see their remuneration systems calculated and organised so as not to encourage them to take unnecessary risks like those we have seen; the accounting rules within our banks should not exacerbate the seriousness of the crisis but, rather, enable us to ease it; and the monetary system should be rethought between fixed exchange rates and no exchange rates between currencies. We have tried everything in the world. Can we, the rest of the world, continue to bear the deficits of the world's biggest power without saying anything? The answer is clearly 'no'.

(Applause)

There is no use, moreover, in pointing the finger at anybody; we just need to find the ways and means to ensure that this does not happen again. Moving on, and I could say a lot more, but I should above all like Europe to consider global governance in the 21st century. We should not be surprised that it is not working. We are in the 21st century, but we have 20th century institutions. The US President and Europe have thus proposed several summits, starting from mid-November, that will focus on a new form of regulation, a new form of global governance. I hope that Europe will be able to debate this.

I shall have the opportunity to propose a meeting to my partners, Heads of State or Government, to prepare for these summits. This issue of a radical reform of our capitalist system and of our international system is

an issue of equal importance to the European Parliament, which must debate it and which must put forward its ideas. However, Europe must speak with one voice if it wants to be heard.

Who will take part in this summit? There are many schools. I think that the simplest thing is the G8, which is indispensable – with the Russians, naturally – to which we should add the G5, which is also indispensable and which would allow China and India, in particular, to be involved in this essential debate. This will be the objective of our trip to China, with President Barroso, to convince the Asiatic powers to take part in this radical reform.

Mr President, there has been a third issue during this Presidency, which has proven to be extremely difficult: that of the future of the energy and climate package. I am perfectly aware that your Parliament and some of your groups are divided on the issue of how to proceed. Allow me to state my firm belief and the policy I intend to propose. The energy and climate package, as ambitious as it is, is based on the conviction that the world is headed for disaster if it continues to produce under the same conditions. That is the long and short of it.

(Applause)

I cannot see one single argument to suggest that the world is doing better, from an environmental point of view, because the financial crisis has taken place. When we decided to launch ourselves into the energy and climate package, we did so with an awareness of our responsibilities towards our children and towards the future of our planet. This is a structural policy, this is an historic policy, and it would be tragic to abandon this policy on the pretext that the financial crisis has occurred.

(Applause)

It would be tragic and it would be irresponsible. Why would it be irresponsible? It would be irresponsible because Europe would be sending out the message that it has not decided to make the efforts it promised on this front and, if Europe does not make these efforts, our chances of convincing the rest of the world of the need to preserve the global balance are non-existent. Thus, it is not simply a question of Europe's failing to take responsibility for itself, it is a question of failing to take responsibility for the entire world where the environment is concerned. For, if Europe does not set an example, it will not be heard, respected or taken notice of – and, if Europe does not do this job, no one will do it for it. So, we will have missed our date with history.

(Applause)

What is meant by 'missing our date'? In my opinion, it means two things: firstly, that we must reconsider the 'three times twenty' objectives; and secondly, that we must reconsider the timetable, that is to say, the end of the year. However, it is by no means my intention to undermine codecision in any way, and, I might add, I have neither the power nor the desire to do so. Moreover, it takes a mean mind to attribute such a thought to me, even though, attributing thoughts to me is quite a compliment, Dany. Nevertheless, in this matter, we fought alongside President Barroso at the European Council to have the objectives complied with and to have the timetable complied with. It was not easy. We therefore have a few weeks in which to convince a number of our partners, whose concerns I understand; because compromise conditions cannot be created without trying to understand what is being said by those who disagree with you.

There are some economies that are 95% dependant upon coal. They cannot be asked for things that would bring them to their knees, when they already have huge problems. We are therefore going to have to find ways and means to be flexible, while respecting the two red lines I proposed to the Council: compliance with the objectives and compliance with the timetable.

I will perhaps have the opportunity, Mr President, to explain myself at greater length in other forums, but I do not wish to try your patience. I should like to say to you, however: this is what we sought to do, and I hope that everyone will be able to support it.

I would like to say a word about the fourth issue, the immigration pact. The pact is a fine example of European democracy and in spite of the initial differences, everyone was able to agree on a selective immigration policy agreed with the countries of emigration, such that we derived benefits from Schengen that apply to three quarters of the countries of Europe. Furthermore, while we have lifted the visa requirement among ourselves, it is nonetheless only right that countries whose citizens do not need visas to go one from one country to another have the same mindset when it comes to supporting a European immigration policy.

Two points remain before I conclude. The first is that the financial crisis has brought with it an economic crisis. This economic crisis is here. It is pointless to forecast it since we are going through it now. I personally would like to say, being fully aware of the disagreements between certain countries, that I cannot imagine someone explaining to me that, in the face of the financial crisis, we needed a united European response, but that, in the face of the economic crisis, we do not need the same united European response.

I would like to say a word about the meaning of 'united'. 'United' does not mean giving the same response. For the financial crisis we proposed a toolkit, a road map, harmonisation and coordination. I believe the same thing is required for economic policy. This does not mean that we will all do the same thing, but it does at least mean that we have an obligation to talk about matters, an obligation to inform each other, and, on certain issues, an obligation to consult one another. There are several initiatives. Allow me to mention one idea: the stock markets are at an historically low level. I would not like the people of Europe to wake up in a few months' time only to discover that European businesses now belong to non-European capital, who would have bought them at the lowest stock market price – for next to nothing – and would have taken ownership of them. The people of Europe would then turn round and ask: 'What have you done?'

I would ask that each of us reflect on the opportunity that could be had if we, too, created sovereign funds in each of our countries, and perhaps if these national sovereign funds could be coordinated from time to time to provide an industrial response to the crisis. I would add that I have followed with great interest the American plan for the car industry: USD 25 billion of interest rates at unbeatable prices, to save the three US car manufacturers from bankruptcy.

I should like us to dwell for a minute on this issue in Europe. We are asking our manufacturers – and rightly so – to build clean cars now, to completely change their production systems. On this basis, thanks to the environmental bonus, 50% of the cars sold in my country will henceforth be clean cars. Can the European car industry be left in a position of seriously distorted competition with its US competitors without the question being asked as to what European sectoral policies exist to protect European industry?

This does not mean calling into question the single market. This does not mean calling into question the principle of competition. This does not mean calling into question the principle of State aid. What it does mean is that Europe needs to provide a united response and a response that is not naïve when faced with competition from the world's other major regions. Our duty is to ensure that, in Europe, we can continue to build aircraft, boats, trains and cars, because Europe needs a powerful industry. On that policy, the Presidency will stand up and fight.

To conclude, my final point concerns the institutions. I do not know whether it is a sigh of relief because I am concluding my speech, or whether it is because the other subjects were less important. The institutions are not the only subject in Europe, and it would be very wrong to devote ourselves too much to this issue, to the exclusion of everything else. The institutions are an issue, however. I should like to express my firm belief that the crisis calls for a reform of the European institutions. The crisis implies that Europe can provide as powerful and as swift a response as any other world force, such as the United States, was able to provide faced with the tragedy represented by the financial crisis.

I am one of those who believe that it would be a very serious mistake not to reform our institutions. Very serious. Not least because, in order to follow complicated subjects such as Georgia and Russia, the financial crisis and the economic crisis, it does not seem very sensible to have a rotating presidency every six months. Regardless of what votes were cast in the last elections, I must say to you that, frankly, if we like Europe and if we want Europe to speak with one voice, it does not seem very sensible to me to think that the Council Presidency should change every six months. Therefore, together with President Barroso, we shall have to create a road map for December to see how to respond to the Irish question. I fully intend, before leaving the Council presidency, to propose this road map and to point out, on a consensual basis, the ways and means to overcome the situation that has arisen.

I should also like to say one last thing, which is that the euro zone cannot continue without a clearly identified economic government. We can no longer continue like this. I should like to pay tribute to the work of the ECB. I should like to express my firm belief that the ECB must be independent, but, if the ECB's work is to realise its full potential, the ECB must be able to negotiate with an economic government. That was the spirit of the treaty. The spirit of the treaty is dialogue, democracy and independence on both sides, and in my mind, moreover, the true economic government of Eurogroup is a Eurogroup that meets at Heads of State or Government level. I was amazed to discover, when I called for this meeting, that this was the first time such a meeting had taken place since the euro was created.

To be frank, we create a currency, we provide ourselves with a central bank, and we have a single monetary policy, but we do not have an economic government worthy of the name. The effort that consisted, Commissioner Almunia, in electing a president of the ministers of finance was beneficial and I was involved in the decision, as I myself was a minister of finance at the time. Furthermore, I should also like to pay tribute to the work of Jean-Claude Juncker, and to your own work. However, I should like to say one thing: when the crisis assumes proportions such as we have seen, a meeting of the ministers of finance alone is no match for the seriousness of the crisis. Furthermore, when we had to raise the sums that we raised, it was not the ministers of finance whom we had to mobilise, but the Heads of State or Government, who alone possessed the democratic legitimacy to take such serious decisions.

Ladies and gentlemen, I could say an awful lot more. I should simply like to say, by way of conclusion, that the world needs a Europe with a strong voice. This responsibility rests on your shoulders; it rests on the shoulders of the Commission and on the shoulders of the Council. I should like to say to you all that it has been very useful for the Presidency to feel, aside from the differences, the solidarity of a European Parliament that had, from the outset, analysed the seriousness of the crisis and that was willing – and may you be commended for it – to go beyond our different tendencies in order to create the conditions for Europe to unite. I wanted to say this to you because it is my very profound belief.

(Applause)

José Manuel Barroso, *President of the Commission*. – (FR) Mr President, Mr President-in-Office of the Council, ladies and gentlemen, last week's European Council was the climax of work of unprecedented intensity to tackle the economic crisis in Europe. It ruled out the risk of measures taken on an ad hoc, uncoordinated basis, in order to arrive at a common position aimed at restoring the stability of Europe's financial system. I should like to pay tribute to President Sarkozy, whose dynamism and invaluable determination made it possible to give the necessary impetus to the action of the 27 around common objectives and principles.

I am also proud of the contribution made by the Commission, which – as President Sarkozy said – has always worked hand in hand with the French Presidency and, furthermore, has always stressed that only a European response could have an impact at the required level.

This impetus that we observed at the European Council and that has moreover enabled us to adopt a very important pact on immigration, must also guide us when it comes to managing the European agenda ahead of the European Council in December.

We need, in particular, to develop a road map for the Treaty of Lisbon in order to prepare properly for the 2009 elections.

With regard to the 'energy and climate change' package, a very big effort will be required to sign an agreement by the end of the year. The Commission will work closely with the Presidency to find solutions that address the concerns of all the Member States. We are counting on Parliament's continued support to reach an agreement.

However, I should like to focus my speech today on what has to be our immediate, primary concern: the European economy. We need to work on three things: firstly, undertaking immediate actions at European level to overcome the financial crisis; secondly, reforming the international financial system; and thirdly, strengthening what is referred to as 'the real economy' in order to minimise the consequences of the financial crisis and to create the conditions for a resurgence of growth and employment.

I truly believe that Europe is in a position, through the choices it makes, to make its presence felt in the international response to the crisis. The Camp David Summit last weekend gave a strong indication of what Europe is capable of achieving when it is united. Let us be clear, this was not the obvious outcome. A month or two ago, it was impossible to have the US President alongside us. Now, however, we have succeeded in having our US partners alongside us, and I believe that we have created the conditions for a fundamental reform of the global financial system.

We are indeed living in an unprecedented time, one that requires a similarly unprecedented level of coordination. For this international response we require a genuinely European response. Europe must shape the international response to international problems. The rule of globalisation is precisely respect for the principle of openness and interdependence. Instead of suffering globalisation, Europe must shape it with its values, and also protect its interests. I am pleased and proud to have observed that, during this crisis, Europe has demonstrated that it was equal to these challenges.

Mr President, let me give you some more detail about our response to this crisis.

Our first priority was to play our part, as the Commission, in the rescue of financial institutions in difficulty. In doing this we were able to count on the excellent cooperation we have had with Member States and with the ECB.

Our next step was to come forward with a package of precise, targeted measures to address specific shortcomings on capital requirements, deposit guarantees or accountancy rules. Speed has been essential, and we have responded by accelerating our work. In the same vein, I was grateful for the rapidity with which this Parliament was able to conclude its consideration of the changes in accountancy rules. I know that you fully appreciate that the other proposals on the table deserve the same urgency.

We also have to look at what other proposals will be needed to update and fill in the gaps of today's regulatory regime.

We will have the credit rating agencies proposal next month. We will come with an initiative on executive pay, based on a review of our 2004 recommendation. We will look at regulating derivatives. We will work constructively with the European Parliament on the follow-up to your recent resolutions and will look at the implications for the 2009 Commission work programme. No area of financial markets will be absent from this review.

One important input for future action will be the results of the high-level group I have set up under Jacques de Larosière to look at cross-border financial supervision in Europe. I am happy to announce to you today the composition of this group. It will be composed of Leszek Balcerowicz, Otmar Issing, Rainer Masera, Callum McCarthy, Lars Nyberg, José Pérez Fernández and Ono Ruding. I am asking this group to present first results in time for the spring European Council, and I will be discussing this afternoon with your Conference of Presidents how to make sure that Parliament is plugged into this work.

But as I said earlier, we will also have to promote the reform of the global financial system. The last months have shown that the Bretton Woods institutions have not kept up with the pace of integration of global financial markets.

European Union-United States cooperation will be essential: as you know, the European Union and the United States account for almost 80% of wholesale financial markets. This cooperation is important not only to get us out of this crisis but, even more, to avoid another one. In this respect, the discussions President Sarkozy and I had with President Bush last weekend were a major step forward.

But it is not enough. We have to get other major players on board. I will be going to China later this week where, together with President Sarkozy, I will raise this issue with the Chinese President and Prime Minister and with other Asian partners at the ASEAN Summit. We need a critical mass of players involved.

The goal should be to devise a system of global financial governance adapted to the challenges of the 21st century in terms of efficiency, transparency and representation.

Europe is leading the way. This is something we can collectively be proud of, and I want to work with this Parliament to make a forceful European contribution to this international debate.

But there is also what we usually call the real economy, and we all know that, day by day, the evidence that we are facing a serious economic slowdown is building. The impact is being felt on jobs, household incomes and on the order books of businesses, large and small.

One thing must be clear: there is no national road out of this crisis – our economies are too intertwined. We will swim or sink together. We must not give in to the siren calls for protection; we must not turn our backs on globalisation or put our single market at risk. This will remain the motor of growth in the European Union.

Neither can we go on with business as usual. Europe's economy needs a boost to recover, to continue to grow, to provide employment. First, inside Europe. We will have to redouble our efforts to address long-term issues and to be in better shape to tackle the challenges ahead, making Europe a knowledge economy, investing more in research and development and innovation. The revised Stability and Growth Pact leaves sufficient flexibility for Member States' budget policies to react to the current exceptional circumstances and to promote growth and jobs.

But we also need to look beyond our borders. Trade has been key to European growth over recent years. Now is the time to be proactive about market access, to make the case that trade barriers will help nobody. I hope we have all learned the lesson that protectionism only makes recovery harder.

European industry needs support. SMEs need to be free to concentrate on their markets. That is why, for example, we recently proposed that our smallest business should be exempt from excessive burdens in terms of accounting rules and statistical reporting.

Large manufacturing needs help, too. I want to be sure that we are using European programmes like our competitiveness and innovation programme and the research framework programme to best effect. We need to reinforce the synergies between our Lisbon Strategy for growth and jobs and our climate and energy agenda.

Promoting investment in low-carbon technologies and energy efficiency measures will, at the same time, support our competitiveness, our energy security and our climate change agenda. The European Investment Bank will be a valuable partner in this endeavour.

Europe's citizens need support, too, especially the more vulnerable. It is critically important that, at a time of rising unemployment, we maintain investment in training, we develop new skills and prepare people to take advantage when opportunities return. Advancing on our Social Agenda for Access Opportunities and Solidarity is more important than ever. We shall review the role the Globalisation Adjustment Fund can play.

In all these areas we need to be intelligent about how we act. We need to get the most out of every step we take. Smart action means hitting two targets with one shot. For instance, helping the construction industry, yes, but doing this by promoting an energy-efficient housing stock. Using state aid where necessary, yes, but in line with the guidelines directing state aid towards environmental support and research and development. Helping key industries like cars – why not? – but preparing them for tomorrow's markets of clean cars. Smart support: this is what our industry needs, and not protectionism. This I want to underline very clearly.

Our Lisbon Strategy packaged in December will be the opportunity to bring these different strands together. There is no magic bullet to turn around the European Union economy. What we have to do is take every option, explore every potential way in which European Union policy can help Member States to seize every opportunity to put Europe on the road to growth. That is our task in the coming weeks. That is what we are preparing, and this is a task I want to tackle together with the European Parliament.

We are indeed living at a historic time, the kind of occasion where the crisis calls into question all certainties, and minds are more open to change. These are very special moments, and they do not happen every day. We have to understand that it is really one of those moments where there is some higher plasticity and then, when we can make a real change, these are moments when we know that today's decisions will have a decisive impact on tomorrow's reality. Change is what we need now. Change not to go back to the solutions of the past, but to find the solutions of the future, the solutions of the 21st century of the globalised world.

Today, Europe can propose the principles and rules that will shape a new global order. We have an opportunity to come forward with proposals based on European values, based on open societies and open economies. As I said this weekend at Camp David, open societies need the rule of law and democracy. Open economies also need rules – the rules of transparency, sensible regulation and sensible supervision.

Europe shows its true colours in times of crisis. In Georgia, Europe was able to stop a war. In the financial crisis, Europe is leading the way towards a global solution. In the next few weeks we must show that we are able to continue to lead in the fight against climate change and to build an energy policy for the future, because we owe it to our citizens, our economies and our partners around the world, as well as to future generations of Europeans.

(Applause)

Joseph Daul, *on behalf of the PPE-DE Group*. – (FR) Mr President, Mr President-in-Office of the Council, Mr President of the Commission, ladies and gentlemen, twice this summer Europe and the world have faced major crises. Twice, Europe has shown that, with political will and by being united, it can not only adopt a strong and swift position but also influence and lead its partners in the world, for example in Georgia.

On behalf of my group, I should like to pay tribute in this House to the exemplary work of the French Presidency and of its President, Mr Sarkozy, during these two major crises. He has not taken any holiday, he

has been at work since the start of his Presidency. The current Presidency of the Union is doing Europe and Europeans a great service. It is demonstrating that Europe can have a presence on the international stage...

(*Whispering*)

Mr President, I should like it all the same if people listened to me.

It is demonstrating that Europe deserves to be built and to be experienced. Furthermore, during the last European Council the guidelines of the euro zone countries were unanimously confirmed – whether in terms of the measures to introduce regulation mechanisms, monitoring mechanisms or ethical rules putting a stop to golden parachutes. All this is along the right lines.

Of course, the financial crisis is not behind us, but it is in crisis situations that we can and must adopt rules for the future. I hear it said, here and there, that we are witnessing the collapse of capitalism, that it is all the fault of the free market. The reality is that, although the free market has proven itself, it needs to be accompanied by rules – and, clearly, not enough of these rules have existed, or they have not been applied firmly enough. It is on this and on I know not what ideological challenge that we must work, with the help of the central banks, and with the entire international community.

Still on this subject, I welcome the Presidency's initiative to gather together our partners for the purposes of defining a new global economic and financial order. What we need to guarantee is that small savers do not see their efforts destroyed overnight. What we need to ensure is that entrepreneurs, and small and medium-sized enterprises in particular, can continue to finance their activities – a source of employment and growth – at reasonable rates.

Our group will support any measures aimed at safeguarding the European solidarity and social market economy model, the great value of which we fully appreciate in times of crisis. With regard to the Treaty of Lisbon, I would call once again on those Member States that have not yet ratified it do so as quickly as possible, so that we have an overall idea of the final state of ratification.

If we ask this, it is because we see the difficulty, for Europe, in operating effectively, with the unanimity rule and without a stable presidency. We hope that the December European Council will decide on a road map and on a realistic, but also demanding, timetable to end the crisis. I would also add that, were the Treaty of Nice to continue to apply in the coming months, it should apply as much to the European Parliament as it does to the European Commission. I therefore call on everyone in this House to assume his or her responsibilities. The Commission, which will be installed in autumn 2009 and whose president Parliament will invest on 15 July, will comprise fewer commissioners than Member States. There is that, and there is also the Treaty of Nice, and a Parliament with fewer seats and fewer powers, and a Commission with fewer commissioners.

The European Council has adopted the European Pact on Immigration. That is a great success, but many new and different challenges await us: climate, energy, defence, to name but a few. It is only by working on the basis of our social model and by consolidating our social market economy that we will be able to provide credible and sustainable responses for our generations. Mr Sarkozy, I call for progress to be made in our work. We are going to do our utmost within Parliament to ensure that, by the end of the year, we will have a credible vision here too, for the world, and for the future of our children and grandchildren.

Martin Schulz, *on behalf of the PSE Group*. – (DE) Mr President, ladies and gentlemen, at the weekend, we saw what was indeed a historic image. We saw the worst President of the United States in living memory flanked by an effective President of the European Union and a President of the European Commission who is on course to see reason on the subject of European internal market policy.

This was indeed a historic moment, and indeed a great opportunity for Europe to take its rightful place in international politics. The policies of the Bush administration, of the total deregulation of world markets, of complete *laissez faire*, where anyone can take any measure whatsoever anywhere, is now bankrupt, and Europe has the opportunity to fill the resulting vacuum with a new, more social, economic order in Europe and worldwide. This is the task that lies ahead of us, and it is indeed a historic one.

(*Applause*)

Mr Sarkozy, the first steps have been good. You have taken the measures necessary in the crisis, and so our group supports you in this regard. I shall not conceal the fact that we are impressed, including with the resolve shown by you and – I shall spell it out – Mr Barroso himself, although not by his Commission.

While I am on the subject of taking opportunities, we must precede the actions that are now necessary with the words 'never again' What happened on these markets must never be repeated. A line needs to be drawn under the disaster of the international financial markets, and the crisis of the real economy this triggered. That must not happen again.

To ensure that this is the case, we need new rules. These new rules also need to come from you, Mr Barroso. In a minute, my colleague Mr Rasmussen will describe in specific terms what we expect of you. We expect the proposals you have just announced by the end of the year, as we need to act quickly. We do not have much time.

If we act quickly, rules will take centre stage: not just rules for banks, but also the necessary rules for hedge funds and for private equity. We decided this here a few weeks ago with great unanimity.

Today I have heard social democratic speaking: Nicolas Sarkozy, long-standing leader of the UMP, conservative French President, speaks like a veritable European socialist.

(Applause)

Mr Barroso, in a belated echo of his Trotskyist, his Maoist past, speaks like a true leftist. From Mr Daul, too, I hear pure social democracy. Application forms to join the Socialist Group in the European Parliament can be found at the entrance.

(General hilarity)

I should now like to read out a quote; listen carefully, gentlemen.

(Cry of 'ladies')

'In the past decades, some of our nations and the European Union as a whole became too regulated and protective [...] This over-regulation [...] undermines competitiveness ...' That was taken from the 2006 Manifesto of the European People's Party, signed by Nicolas Sarkozy, Mr Barroso and Mr Daul. Gentlemen, you came late, but the main thing is that you came.

(Applause)

(Cry of 'Mr Pöttering too')

I ask myself, when I discuss this with you: where are the ordinary citizens of the European Union in your speeches? Who is talking about the taxpayers now being burdened with the risks of this disaster? Who is talking about the purchasing power required to revive the internal market?

We are entering a period of threatened recession, if we are not already in recession. We need more purchasing power. We need not only social protection for banks but also, above all, risk protection for ordinary citizens; for, if our plans – and there is no alternative – should fail, it will be above all the ordinary citizens of the European Union, the workers, who have to pay. This is why we want to establish the same protection for these citizens as we have done for the big banks, by means of more rules, of more supervision, and indeed also of State protection. This is the central requirement, above all in Member States.

(Applause)

I should also like to paraphrase the words of Angela Merkel at the 2000 CDU party conference: the State must take a back seat in the economic and social policy fields. I disagree: the State should not take a back seat, it should intervene more, should carry out more supervision in economic matters. I am obliged to Mr Barroso and Mr Sarkozy for affirming that we need more rules, not fewer; we need more supervision, not less. You are on the right track. Therefore I say to you that you will also be on the right track if – and you will have our support in this – you do not allow the climate package, which indeed has the potential to create jobs, and enables sustainable economic management, to be played off against the financial crisis in the current situation.

As Jean-Claude Juncker rightly said, the financial crisis will pass, but the climate crisis, sadly, will remain. That is why it is a mistake to play one off against the other. You are right, however, Mr Sarkozy, that this too must be solved on the basis of mutual solidarity of the stronger with the weaker and also of the cooperation of all of us, both here in Parliament and in the Council.

Mr President, ladies and gentlemen, I should like to express my sincere thanks – including specifically to the President for giving me one minute longer. The clear position of the PSE Group remains that, in this crisis, the values on which we have always been prevented from obtaining a majority in this House are now on the agenda. If you now give us your support, you will have finally learned your lesson, but you must admit that it has been thanks to the mistakes made by you, above all, that we do not yet have the rules that we need.

(Applause from the left, protests from the right)

Graham Watson, *on behalf of the ALDE Group*. – Mr President, I address my remarks to the President-in-Office of the Council. President-in-Office, you brought us warm and encouraging words from last week's Council. You said that Council and Parliament must work hand in hand – '*travailler main dans la main*' – but our job is to read the small print.

Why do the Council conclusions refer only to cooperation between Council and Commission?

(Applause)

Why in all the paragraphs on climate change is there no mention whatsoever of the European Parliament? In paragraph 16 of this document, you should have invited the European Parliament – not just the Commission – to work with you; and recognise that Council and Parliament will decide, not the Council alone. Moreover, President-in-Office, you will find you need the European Parliament because some Member States are trying to unpick properly reached agreements. Europe must stick to its negotiated targets. It is dishonest of some governments to say that the new economic climate makes those agreements unachievable. New emissions targets for the car industry will not be in force until 2012: the emission-sharing proposals apply only after 2013, long after the global economy is forecast to pick up. Postponing action now will invite climate catastrophe and an even bigger bill. We need more than the Council agreed last week.

President-in-Office, you rightly recognise the power of the markets. Since the Berlin Wall fell, 50 million Europeans have been lifted out of poverty because the free movement of goods, services and people is the key to Europe's prosperity. More than that, it is vital to our liberty. Today we are seeing what happens when markets lack accountability. In recent weeks the global finance system has stared into an abyss and we need concerted action to pull it back. So my group welcomes the Council's consolidation of the measures agreed by the euro area. They have alleviated the pressure on the interbank markets. Now we need to steer interest rates downwards to alleviate recession.

We also welcome the Commission's Capital Requirements Directive, the new accounting standards and the plans to control credit rating agencies. Europe must also play a leading role in negotiating a global system of financial governance. While rules are necessary, so are the means to enforce them. The Summit failed to agree an effective regime to supervise the financial system in Europe. I have made the case for a European financial services authority and it is rumoured that the President-in-Office also favours rigorous supervision at European level. By all means, try with the Americans to get a global agreement but proceed without them if they will not play ball. Supervision of the financial services industry remains the missing piece of the jigsaw.

President-in-Office, you are a man of action. Your actions underline the case for a full-time President of the Council. You draw attention to our successes. In August, Europe kept the tanks out of Tbilisi. This month Europe has kept the banks in business. If, in December, Europe acts to preserve the planet then we should convince even the most sceptical that we need the Lisbon Treaty.

(Applause)

Daniel Cohn-Bendit, *on behalf of the Verts/ALE Group*. – (FR) Mr President, Mr President-in-Office of the Council, Mr President of the Commission, I would be the last person not to recognise that energy and will are necessary in politics, and it is true that the French Presidency has shown a level of energy and will that has done Europe good.

Only, sometimes, I feel as though I am dreaming. I feel as though I am dreaming when crises are spoken about, because all crises – the financial crisis, the environmental crisis, world hunger – are interdependent, and we cannot resolve one crisis without resolving the others. On that basis, it is wrong to say that the crisis began in July, September or August! It began years ago – and a bit of self-criticism from a former finance minister of France, a bit of self-criticism from this Commission which, even a year ago, rejected all European regulation of financial flows, would, all the same, make them more credible in the future...

(Applause)

It is like being in a dream! It is as though the current crisis were a natural disaster that was impossible to foresee. No, that is not true – and, on that basis, a debate is possible.

The logic of crises is the following, simple logic: more and more, as quickly as possible. This is what created the financial crisis, this is what is creating the environmental crisis and this is what is causing world hunger to increase. On that basis, let us stop talking about uncontrolled growth... that is to say, it is the content of the change that is important. What I have found interesting is that everyone has spoken about a radical reform of capitalism and of the market economy, but that I have not heard today what the grounds are for this radical reform. It is an environmental market economy and a social market economy that we need, that is to say, we need to call into question the very foundations of our production method, of our lifestyle. If we do not ask these difficult – very difficult – questions, we will once again be headed for disaster.

That is why, when you say, for example, Mr Sarkozy, that help is needed to revive the car industry, what I do not understand is that, at the same time, there is a desire, by the Germans, to impose rebates for the car industry with regard to CO₂, that is to say, in fact, to impose cut-price legislation, and moreover, to give them money. The car industry. Especially the German car industry, which has made the most profit over the last 10 years. It is the one that is going to invest funds in tax havens. Thus, we are going to give money to Mercedes, BMW and Audi for them to put their money in tax havens. I do not agree with this.

(Applause)

Yes indeed, because, Mr Schulz, when you spoke just now to your colleagues from the right, I spoke to my colleagues from the right and from the left – social democrats and Christian democrats alike – who agreed with the German car industry's lobbying to curtail the climate criteria. Yes indeed, Mr Schulz, that is the truth.

(Applause)

On that basis... yes indeed, I am quite right. You can hide on this issue, Mr Social Democrat, you can hide, but it was unworthy of your policy.

I should like to continue with this point, I should like to continue with a very important matter, that of growth (*speeches off-microphone*). Be quiet, I am the one speaking. I mean that, when you say 'growth', it is important now to talk about the type of growth and how to obtain it. As the State has now acquired shares in the banks – part of nationalisation, and so on – the debate to be had now concerns how we are going to invest. How and why are we going to invest?

It is a content debate. If we invest in environmental damage, well, we will do what we did before. That is why, as you rightly say, we must discuss a European revival plan, but a European environmental revival plan, that which the Group of the Greens/European Free Alliance call a Green Deal, and not just any old thing.

To conclude, I should like to say two things. On tax havens – you used to be finance minister – the obligation to make declarations must be reversed. By that I mean that, when any person, company or bank is going to invest money in a tax haven, that tax haven has to declare to the country of origin the money that has been invested. Reversing what has not... Transparency is a start when it comes to tackling companies that use tax havens. This is an important decision that would move us forward.

Lastly, I should still like to speak about the climate package. Mr Sarkozy, you have organised – Mr Watson is right – an institutional putsch. You have done so by declaring that a decision like this would be taken by the European Council, which must take it unanimously. You have opened a can of worms with the German, Italian and Polish vetoes, instead of leaving things as they were, that is, with the vote of parliamentary committees, with the Commission's adopting of a position, and with the Council of environment ministers. We had the possibility to decide on a climate package by codecision, by qualified majority voting. By rejecting that in December, you eliminated codecision and qualified majority voting. You will pay a very high price for that, because you are now at the mercy of the veto of the countries I have just mentioned.

I therefore support your will regarding Europe, your energy regarding Europe, regarding the fact that we need to move forward, and that Europe must be independent, but at the same time, our views still differ considerably, greatly, when it comes to the 'how' issue, to European democracy and to the environmental content of the need for a revival.

(Applause)

Cristiana Muscardini, *on behalf of the UEN Group*. – (IT) Mr President, ladies and gentlemen, we would like to express our full support for what the President has said. We appreciate the work done by the Presidency over these difficult months and welcome the proposals that have been made. Nonetheless, we would like to remind the President of the Commission that in making certain assertions, that we may well support, he assumes responsibility for the course taken by certain commissioners, including the Commissioner for Competition, whose remarks on the paraffin issue have clearly not helped to improve security or bring calm on the markets.

We would also have liked the Commission to have responded more promptly on derivatives, products that have brought many citizens to their knees, as well as many administrations and EU Member States. Mr Sarkozy's comments strike a chord with those of us who want to see a Europe not with a president that changes every six months, but with a president who can act as a representative of a truly united – not homogenous, but united – Europe able to work as one to identify problems and formulate strategies to combat and above all to resolve them. This crisis is undoubtedly systemic, but to combat a systemic crisis we need to devise a new system and – with all due respect to yourself, President Sarkozy – re-found global capitalism.

Perhaps there is something more we should say. We should say that the free market does not mean extreme liberalism, and that in today's world a system seeking to base itself on capital must be able to combine social and liberal considerations. We have failed banks and failing banks. How much more our European Central Bank could have done if we had put into action the suggestion made by yourself, Mr President, even before the start of your mandate, to build a closer relationship between political direction and economic driving forces. It is impossible to manage the economy without a political vision to indicate the goals to be reached.

We hope that in future the ECB can have greater control over the quality of the financial system, but we do not want to see it closed off in splendid isolation. I would like to conclude, Mr President, by saying how pleased I am that the immigration and asylum pact has been adopted. At last we have common rules in an area that affects us all and which should see us particularly united. We hope that criminal and civil sanctions can be harmonised on certain pressing issues, to combat profiteers and those who put consumer safety and therefore the stability of the economy at risk. Thank you, Mr President, we wish you success in your work.

Francis Wurtz, *on behalf of the GUE/NGL Group*. – (FR) Mr President, Mr President-in-Office of the Council, Mr President of the Commission, never in the history of the European Parliament have we had to react to a multidimensional crisis of such depth and such gravity, and one cannot help but fear that the worst is yet to come.

Firstly, a number of countries of the South, in principle partners of the European Union, are on the brink of the abyss: in addition to the food, environmental and energy crisis, there is the financial crisis. These countries have got nothing to do with it, but it is hitting them hard. A fall in revenue, a fall in investments, a fall in growth: they are the ones overlooked most by the international effort, to the extent that the Director-General of the FAO, Mr Diouf, was obliged to point out that only 10% of the emergency funds pledged by the major powers in June have so far been allocated. Those seeking to clean up capitalism have their work well and truly cut out.

For their part, emerging countries are being affected by the crisis, but it is not yet possible to assess the social consequences of this. On our doorstep, a State not long ago presented as a model of success, Iceland, is under threat of bankruptcy. Within the Union, new member countries such as Hungary – which cannot even invest its treasury bonds anymore – are wrestling with extremely serious problems that are going to result in unprecedented sacrifices for their populations. The turnaround has also been spectacular in countries such as the United Kingdom, Ireland and Spain, which were cited just now as an example. The shock has been considerable everywhere. This is liable to be the case in France, too, if the recession further exacerbates a particularly tense social climate, with huge job cuts, a fall in public spending, financially starved local authorities and public service privatisation projects.

This is another issue, you may say. It is not, for if each of our countries is threatened with a social crisis of unimaginable dimensions, it is because of a development model for which our people are today paying a high price. The model was formed in the United States and in the United Kingdom, but the European Union fully embraced it as its own with the toppling of the international balances of power twenty-odd years ago. Since then, it has been this model that the Commission has fed us with, month after month, and it is this model that pervades our treaties, the case-law of the Court and a number of our policies.

That is why, Mr Sarkozy, I cannot share your diagnosis of the terrible evil currently eating away at our societies. The spark that started the fire can certainly be traced back to New York, but the fuel that caught fire is as much in Europe as it is in the United States, and all those political leaders who have worked on Europe's strategic change of direction over the past 20 years owe our fellow citizens an explanation. They must not think that they are off the hook today by taking measures – necessary measures, all the same – concerning reporting standards, financial supervision of rating agencies, or golden parachutes.

Beyond this, however, it is the heart of the system that needs to be changed: money for profit, and profit for money, that awful spiral that gives rise to the devaluing of work, salary deflation, social expenditure rationing and the wasting of the planet's resources, as well as the marginalisation of a huge proportion of the global population. Indexes do not lie: only 2% of monetary transactions today concern the production of goods and services; 98% relate to finance. Tackling the root of the evil from now on means attacking the increasingly drastic financial return criteria, which are absolutely incompatible with the non-discriminatory promotion of human capacities and with genuinely sustainable development.

Equally, a Bretton Woods II worthy of the name should aim to introduce collective control of money creation worldwide, that is to say, to replace the false international common currency that is the dollar with a true international common currency designed to serve as a lever to correct the intolerable inequalities that destabilise the world and to contribute to the balanced development of humankind and of the planet. We are so far away from that that it is better, at this stage, to avoid an excess of superlatives on the radical reforms at work, unless the European leaders' sudden propensity to want to change the world is inspired by the motto of Prince Salina in *The Leopard*: 'everything changes so that nothing changes'. They are in danger of having a rude awakening before too long, however.

(Applause)

Nigel Farage, on behalf of the IND/DEM Group. – Mr President, I address my remarks to the President-in-Office of the Council. President Sarkozy, it was your own energy, dynamism and initiative that sent you off to Georgia and Russia to try and broker a deal. You did it off your own bat. You were not acting on behalf of the European Union. It is a delusion if anybody in this place thinks you were. There had been no Council meeting, there was no resolution and there was no mandate. You did it as the French President, and well done to you.

However, if you are proposing that that is the model on which we should decide our foreign affairs in the future – the idea that a permanent president or a permanent foreign minister decides on the hoof what the foreign policy of all of us should be and goes off and does this without reference to national governments and national parliaments – the answer has to be: No, thank you very much indeed.

As far as the financial crisis is concerned, I am delighted that your original plan that everybody should club their money together in the middle fell to pieces. It was a good thing that the Irish, Greeks and Germans went off and acted in their own national interests. What happened at the summit was more a case of nation states agreeing with each other – which is fine and which I am happy with.

I have not heard anybody today recognise that this financial crisis is as much as anything else a failure of regulation. We have not had a lack of regulation: out of the financial services action plan for the last 10 years we have had a blizzard of regulation. It has damaged the competitiveness of places like London and it has not protected a single investor. So please, more regulation is not the answer. We need to rethink what we have been doing.

I think we need to start acting in our own national interest. The fact that our banks cannot pay dividends for the next five years, whereas the Swiss banks can, is something that proves that if you have the flexibility and adaptability of being outside the European Union you can weather financial crises far better than being stuck in the middle.

Bruno Gollnisch (NI). – (FR) Mr President-in-Office of the Council and of the French Republic, we debate the palliative care to be given to the ill, but we are very discreet about the causes of the illness. How is it that no EU institutions saw the current crisis coming? Not the Council, not the Commission, not the Central Bank, not even, ladies and gentlemen, our Parliament, or any of the Member States' governments. The crisis was predicted, it is true, by a mere handful of economists, such as the Nobel Prize winner, Maurice Allais, and political officials, for the most part from our family of beliefs, including, once again, Jean-Marie Le Pen. Unfortunately, it is a case of 'the voice of one crying in the wilderness'.

The crisis is, however, clearly that of the Euro-internationalist system, uncontrolled free trade, and the terrifying separation between financial fiction and the realities of our declining economies and industries, which could in future be the target of sovereign funds of third countries benefiting from the current situation. Even your work, Mr Sarkozy, testifies to the maladjustment of the Union: a meeting of 4, not of 27, on Saturday 4 October; a bilateral meeting with Germany only on 11 October; a meeting of only 15 of the Eurogroup's members; a meeting with the US President to convince him to organise yet another meeting theoretically designed to radically reform the entire system, to which were invited, if we have correctly understood, only 6 of the 27 EU Member States, the United States, Japan, Russia, India and China.

I am not prejudging the usefulness of those meetings. I am saying that this is a return to bilateral or multilateral diplomacy, and it clearly demonstrates that, given its failure to react, its entanglement in bureaucratic rules and its compulsive desire for powers that it is incapable of exercising, the Union as a framework has had its day. The European Council's report attests to this if one reads between the lines. It ratifies your initiatives, it begs the Central Bank in a roundabout manner to loosen ever so slightly the stranglehold of the Maastricht criteria, but it does not decide a thing.

You mentioned the situation in Georgia and your efforts, but how can you not see that unilateral recognition of Kosovo's independence paved the way for the independence of Abkhazia and South Ossetia? How can you justify the indefinite extension of NATO when the Warsaw Pact has itself disappeared?

Mr Sarkozy, the path to be followed lies elsewhere. It involves a radical break with the internationalist system and the complete calling into question of the so-called benefits of the universal mixing of people, goods and capital. Unequivocally defending our independence and our identities does not mean isolating ourselves; rather, it is a prerequisite for regaining our influence in the world.

Nicolas Sarkozy, *President-in-Office of the Council*. – (FR) Mr Daul, thank you for your support. The Group of the European People's Party (Christian Democrats) and European Democrats has always believed in a Europe that protects, and you yourself have been involved in the dialogue with our Russian neighbours. It was a visionary position: Russia has the energy, Europe has the technology. Russia is facing a serious demographic problem – it is losing around 700 000 people a year, over a territory twice the size of the United States of America. I do not see Russia as Europe's implacable enemy; quite the contrary, I believe that it will be necessary, in future, to lay the foundations for a common economic area between Russia and the European Union, which would also be the best way of getting them to move towards the values of respect for human rights and democracy that we hold dear in Europe.

I would add, Mr Daul, that the reason we wanted to support the banks was to protect savers. There were a number of strategies. Some countries – I will return to this later – wanted to protect and guarantee the banks' products. I fought in favour of protecting and guaranteeing the banks themselves, so that we could then leave them to do their job, and your group's support was essential for us.

I should like to finish by saying that your call to ratify the Treaty of Lisbon was exactly right, and, furthermore, it is hardly being aggressive to ask people to be consistent: you cannot say that you did not vote because you were afraid of losing a commissioner if, in refusing to vote, you are forcing the retention of a treaty that provides for a reduction in the size of the Commission. I respect everyone's opinions, but I cannot agree with inconsistencies. You cannot both be among the strongest advocates of European enlargement and, at the same time, prevent Europe from establishing institutions for enlargement. We have seen how much it has cost Europe to enlarge without considering deepening; we must not make the same mistakes again.

Mr Schulz, you say I am talking like a European socialist. That may be, but you must admit that you are not really talking like a French socialist.

(Applause)

Quite frankly, in the socialist split, I would choose Mr Schulz, with no regrets and no remorse. I should, however, like to say one more thing – the whole point of Europe is that it forces us to make compromises. That is what Mr Schultz and I are now doing. Europe, its institutions and its policies will one day be adopted and applied by governments on the left and the right – that is the law of alternation. The European ideal cannot – and this is what makes it great – be reduced simply to a question of left and right.

It is fortunate, Mr Schulz, that men like you are able to recognise that others not on your own political side are not necessarily wrong just because they are not on your side. And I should also like to say to you, Mr Schulz, both to you and to your group, that, as President-in-Office of the Council, even though my party loyalty is to the PPE, I have very much appreciated the Socialist Group's sense of responsibility when it has acted to

go down certain paths. Reducing Europe simply to a debate between left and right, even if that debate exists, is a sin against the European compromise, against the European ideal. I therefore do not think you are renouncing your principles when you support the Presidency, any more than I am renouncing mine when I value the support of the Socialist Group in the European Parliament.

I would go even further. Mr Schulz says that this is an historic task, and he is quite right. He says, as does Mr Daul, that the crisis may present an opportunity. You are absolutely right. And when you say 'never again', you are, once again, quite right. This is not a question of Christian Democrat or Social Democrat; it is a question of common sense. Who brought us to this point? On the other hand, where I would disagree is with the idea that, for the last 30 years, only right-wing governments have erred, and left-wing governments have always been right: that would be a rewriting of a painful history on both sides.

I would add, with regard to your comments concerning Mrs Merkel, that it is my understanding that they have elections in Germany, and I would therefore regard her words as an electoral platform. For my part, I have been blessed with Mrs Merkel's solidarity and friendship, and I should like to pay tribute, once again, to her actions when she had the Presidency. The six-month Presidencies are part of a continuum, and I have benefited greatly from the efforts of my predecessors, particularly Mrs Merkel.

Mr Watson, I have the greatest of respect both for you and for your ideas, but even if you can read the small print, apparently without glasses, it seems that you have failed to do so today, because what does the text say? It refers explicitly to the conclusions of the European Councils of March 2007 and March 2008. And what do those two Council decisions say? They say that the climate change package will be adopted by codecision with the European Parliament. There is a continuum in the texts, Mr Watson.

What, then, was I trying to do? Maybe it was a mistake. I wanted to put an end to European Councils publishing 50-page communiqués that nobody reads, and I therefore proposed an eight-page communiqué. If you want to stick to a shorter communiqué, it is better not to follow the usual practice of summarising the conclusions of previous Councils in order to disguise the lack of new decisions by the current Council. I therefore think that codecision was covered by the references to those two previous Councils. You want me to confirm that, and I am quite happy to do so, but I can go still further, Mr Watson.

With regard to the energy and climate change package, I know, I reiterate and I believe that we will need a great deal of commitment from the European Parliament to push it through. There was just one thing I wanted to do in October, and that was to try to preserve the consensus within the European Council, because, as you will admit, if I had come to the European Parliament with a European Council decision that basically said that, in any event, we should not reach an agreement before December, you would, quite rightly, have told me 'you have broken with what the Councils decided in 2007 and 2008'. Far from having called the energy and climate change package into question, I have fought in its favour, and far from having challenged codecision, I am insisting on it. Moreover, both I and President Barroso said as much to our colleagues in the European Council.

Mr Cohn-Bendit, you really are on top form. You have said 'yes' to me five times and 'no' just twice – I am used to a less favourable score. To be honest, your support regarding the Presidency's determination and some of its actions is beneficial. I would also say to you, Mr Cohn-Bendit, that I think that a Commission Presidency, and Council Presidency, that are as committed as they are to defending the energy and climate change package deserve the support of the Greens. We do not agree on everything, but surely you, the Greens, are not going to fight a Commission Presidency and a Council Presidency that are absolutely committed to adopting the energy and climate change package. Surely we can at least walk part of the way together. You are an elected representative, I am an elected representative, and there is no shame in admitting that, if I need you, you also need me; that is probably more painful for you than for me, but that is the way it is. You also called on me to undertake some self-criticism. You are quite right, I certainly need to do so, and I am not the only one.

(Laughter and applause)

Finally, regarding the institutional putsch, I would make the same response as to Mr Watson. Mr Cohn-Bendit will not hold it against me. On the other hand, can this crisis, and the defence of the environment, be an opportunity for growth? I think you are absolutely right – you call it 'green growth' and I call it 'sustainable growth', but it is undeniable. I would also say to you that the environmental bonus on cars has proven this. France is one of the only places where the automobile sector is not shrinking. Why? Because the environmental bonus has helped it to sell more clean cars than dirty ones. Perhaps the Greens find the phrase 'clean car' shocking, but to us it is extraordinarily important. The Grenelle Environment, which I hope will be voted

for unanimously in France, including by the Socialists, shows that France is strongly committed to this path. I really do think that it would be a mistake of historic proportions if Europe missed the boat on the energy and climate change package.

Mrs Muscardini, thank you for your support. You mentioned the immigration pact, and I am glad you did so, because nobody talks about trains that arrive on time, but it really is an amazing novelty for Europe that all 27 of us have managed to reach agreement on a pact. Of course, there are still some ambiguities, and of course we should have liked to go further, but still. Who could have predicted that all of you here would have the wisdom, with the States, to agree to a European immigration pact a few months before a European election? Believe me, it is the only way to prevent the extremists in each of our countries from dominating a subject that deserves intelligence, humanity and firmness. I am therefore grateful to you, Mrs Muscardini, for raising this issue.

Mr Wurtz, you said that we do not share the same diagnosis, and that is certainly true. Your speech, though, was, as always, very measured in its wording, but highly excessive at its heart. Things do not become less shocking, Mr Wurtz, if you say them softly: it is not so much the words that are important as what lies behind them. As sure as I am that capitalism needs to be reformed, I would say to you, Mr Wurtz, that capitalism has never caused as much social, democratic or environmental damage as the collectivist system that you have supported for so many years. Major ecological disasters, Mr Wurtz – you should listen to Mr Cohn-Bendit when he talks about self-criticism – major ecological disasters have been a feature not of the market economy but of the collectivist system. Social disasters, Mr Wurtz, have been features of a collectivist system, and the collectivist system sustained the Berlin Wall, millions of people have suffered physically from a loss of liberty. I therefore remain committed to the market economy, to free trade, and to the values of capitalism, but not to the betrayal of capitalism.

(Applause)

We can both look back over the 20th century, and you can be sure that the verdict will not favour the ideas that you have loyally followed for decades. You tell me to wake up, but, in all friendship, Mr Wurtz, I would be afraid to advise you not to think too hard about what happened during the 20th century, because sincere men like you would then see that they have been supporting systems that are far removed from the ideals of their youth.

Mr Farage, I did not have a mandate – that is undeniable – but, quite frankly, neither did the Russian troops when they entered Georgia.

(Applause)

You are one of those people who, for years, have denounced Europe for a lack of political will. I had a choice: I could ask for everybody's opinions and take no action, or act and then check whether the others agreed. I prefer action. Finally, Mr Farage, a Europe that looks like you want it to. True, it is me, which is less good, but, at heart, it is still the Europe that you have been hoping and praying for. I would add that, democratically, I, along with Bernard Kouchner, ensured that the European Council validated the decisions that we had taken.

One final point: when the Irish – and I am not passing judgment, given how serious the crisis was – took the decision to guarantee all the products of their banks, excluding European banks and branches, it is a good thing that the Commission was there to pick up the pieces. What happened? In the space of 24 hours, the whole of the City found itself with no liquid assets, because, quite naturally, the liquid assets all left the City to go to the banks guaranteed by the Irish State, which had decided, off its own bat, to guarantee 200% of its GDP. You can see clearly that we need each other: if we had not coordinated our response, each country would have been launched into a spiral of 'who can guarantee the most', and people's savings would have gone to the country that guaranteed the most, to the detriment of the others. You are such a staunch defender of the United Kingdom – well, it is Europe that made it possible to restore the City's equilibrium, not the United Kingdom on its own.

(Applause)

Finally, Mr Gollnisch, you are the only one in the world who thinks that Europe has no use. There are two possibilities: either the world is wrong and you are right, or it is the other way round. I am afraid that, once again, it is the other way round.

(Loud applause)

José Manuel Barroso, *President of the Commission*. – (FR) Mr President, we have already witnessed some ideological debates, and very interesting they have been. For my part, I think that now is not the time for me to get involved in this debate, but I think that there will be time for that later. For the time being, I am focussing more on immediate, urgent responses to the crisis.

In any event, I should like to say this: our analysis of the causes of this crisis clearly shows that there have been regulatory shortcomings, particularly in the United States. Certain sectors within this market were not regulated, and that is what sparked the crisis. However, our analysis also shows that the underlying cause of the crisis is undoubtedly linked to certain fundamental imbalances that can be found both in the US economy and in the global economy.

The truth – as many economists have stressed and continue to do so – is that it would be difficult to sustain the sort of public debt levels that we see in the United States, and that it is the countries with the most debt that are the largest consumers, whereas those with larger reserves consume the least.

There are fundamental problems here in terms of imbalance in the public debt, the public deficit. To put it simply, if the United States had had a stability and growth pact, this financial crisis might not have happened: when the macroeconomic foundations are solid, we have a much greater chance of resisting these problems of gaps, of shortcomings, in regulation.

It is true that there were also regulatory problems. Not because the financial market is not regulated – quite the contrary, it is probably the most highly regulated sector of the economy, even in the United States. Not because we do not have regulation in Europe – on the contrary, we have a great deal of regulation in this sector. It is, however, true that there were shortcomings in the supervision mechanisms, which, we should remember, are essentially national systems.

This is an area in which the European Commission and the European Central Bank does not really have any remit – the supervision mechanisms are essentially national in nature. It is also true that we need to look into what we can do from a legislative point of view, and in that respect I welcome the efforts of the European Parliament. It is true that, for many years now, the European Parliament has been tabling excellent reports on some of these issues, and we are ready to work with you.

It is worth remembering, though, that, just as ‘no man is an island’, no institution is an island, and the Commission is working with both Parliament and the Council on these issues. Let us be quite clear: a few weeks ago – not years, not months, a few weeks ago – it would not have been possible to change some of these rules, because, as you know full well, some of the Member States would have been fundamentally opposed. That is the truth of the matter.

That is why we need to understand that the conditions are now in place for us to make some changes – consensual changes, I hope – not only for reform in Europe, but also so that Europe can put forward global reforms to the financial system.

The second question relates to the ‘climate change package’, and I should like to thank you, ladies and gentlemen, for your comments and for your support. On the institutional question, first of all – I think that President Sarkozy has already explained this very clearly, but allow me to say this on behalf of the Commission – we are not conflating respect for well-established decision-making procedures, in particular codecision and the central role played by the European Parliament, with the need for a strong consensus among the Member States on something as important as the climate and energy package. These two aspects are neither incompatible nor contradictory, but complementary. I can assure you that, alongside the Presidency, we are working actively and tirelessly to reach an ambitious but balanced compromise with Parliament.

I have to be absolutely straight with you here, and I can tell you that, if it were not for the leadership of President Sarkozy and – I think I can say this – also the contribution of the Commission, we would not have reached a consensus in this European Council to retain the objectives we adopted a year ago.

The truth is that, faced with a financial situation like the one we are in now, governments are – quite naturally, I would say – becoming more defensive, more prudent. Perhaps they want to fall back to some less ambitious positions. And that is a challenge that we must take on together, as I really do think that it would be a tragedy if Europe abandoned its ambitions for the fight against climate change.

It would be a tragedy because the main objection that some people have to the package is that we would be making a sacrifice without others doing the same. In fact, though, if we want the others to come with us, we must not, at this stage, give any indication that we are scaling back our ambitions. It is precisely at a time

like this that we need to stick to the 'three times twenty' objectives that we set last year, and that is why the message needs to be very strong. I should like to commend the role of President Sarkozy, and also that of all the members of the European Council; I should also like to express my appreciation to Chancellor Angela Merkel. It was under her Presidency a year ago that we adopted these objectives, and I hope that we are not now going to water down our ambitions.

I can say it too, you know – it is interesting, Mr Schulz. I cannot but endorse what has just been said. I really do think that we can have political differences and different ideologies, but that – particularly in a situation like the one we are now in – we need to unite, not move apart.

I do not think that any political force in this Chamber can claim a monopoly on European ideas. Throughout the history of Europe, it has been the contributions of the Christian democrats, the socialists, the liberals, and others on the right, the left and in the centre that have created political Europe.

I quite understand the political debate, and I certainly do not want to play down the importance of the ideological debate, but I nonetheless think that, in a situation like this, it would be worthwhile for everyone who believes in the ideals of Europe and who thinks that Europe needs to play an increasingly major role in the world to establish a platform of consensus. After all, the world – not just Europeans but the whole world – is looking to Europe to put forward certain solutions.

For my part, you can rest assured that it is in this spirit of consensus – with respect for the different political forces, of course, but, if I may say so, beyond the different party positions – that we, the three institutions, the Commission, Parliament and the Council, will be able to work together to make our Europe stronger.

Hartmut Nassauer (PPE-DE). – (DE) Mr President, ladies and gentlemen, this morning it has rightly been stated that the European Union has demonstrated its ability to act in two major crises. This has inspired confidence in the rest of the world and in the role of the European Union and has allowed it to regain the confidence of its citizens. This is mainly due to the President-in-Office of the Council. President Sarkozy, this is an achievement that you can justifiably be proud of.

Of course, it is not difficult to imagine that President Sarkozy would have taken an energetic and imaginative approach even if he had not been President of the Council. However, the fact is that he is President of the Council and therefore his actions have benefited the European Union. That is how it should be.

Admittedly we should remember that it is a stroke of luck that he is currently the President-in-Office of the Council. However, the ability of the European Union to handle crises should not be dependent on luck. This means that we need the Treaty of Lisbon. This is another argument in favour of putting the treaty into force and I am convinced that there is a broad majority for the treaty in this Parliament.

For reasons of restraint we have not yet stated this loudly and clearly, but I believe that it is time to explain that this Parliament is behind the Treaty of Lisbon and it would be a good thing if the Parliament could succeed in putting it into force before the European elections. This is not within our power, but I think that it is our position.

Mr Schulz has analysed the financial crisis, discovered the causes in the system and, without further ado, has laid the blame firmly at the door of the Conservatives, Liberals and Christian Democrats. Mr Schulz, what a simple picture of the world you present, doubtless because of the elections. You are very well aware that the degree of prosperity here in Europe, which is unheard of throughout large parts of the world, the high levels of social security, the unparalleled levels of environmental protection, the related technological advancement and, not least, the level of personal freedom associated with all these achievements are all based on the social market economy and not on socialist ideas. We need to remind ourselves of this. The system itself has not failed, but some of the players in the system have failed and they must be called to account. In order to do this, we need new regulations.

I would like to make one comment on the climate change and energy package. I would like to state also on behalf of the Group that the objectives of this are undisputed, but that we need to talk about the methods. During a time when emissions trading, according to the Commission's calculations, will cost EUR 70 to 90 billion per year, which must be raised by those affected, we cannot seriously believe that this entire structure will not be affected by the financial crisis and the crisis in the real economy. For this reason we would like to state that we will continue our firm commitment to the objectives. However, I think it is appropriate to consider and debate the dossier carefully and thoroughly in order to ensure that we do not make any legislative mistakes and, above all, that those affected are involved. To do this, we need time and we must make sure that we take the necessary time.

Robert Goebbels (PSE). – (FR) Mr President, ladies and gentlemen, we are living in the age of plumbers: there was the Polish plumber to influence the French ‘no’ to the Constitutional Treaty, and Joe the plumber to decide between Mr Obama and Mr McCain. Even our Heads of State or Government have had to turn their hand to plumbing, to plug the incessant burst pipes in an international financial system that is in a state of total collapse. Our governments have equipped themselves with an IKEA-style kit, a toolbox that should allow each State to cobble together a specific solution for each specific situation. As every DIY enthusiast knows, though, IKEA’s blueprints are hopelessly crude: the IKEA method, applied to international finance, runs the risk of being inadequate. The Presidency has done what it could, in other words crisis management, as President Sarkozy has stressed here. Our governments have managed to plug the series of leaks in an international financial system that is so interconnected that the malfunctions have gone global.

However, plumbing has its limits: we need to address the architecture of international finance. If we want to redesign the financial world to serve the real economy, there is no need to set up yet another high-level group; a low-level group responsible for recording the proposals of the Financial Stability Forum would be perfectly adequate. For example, the Forum recommended back in 2001 that better coverage should be provided for the risks taken by the banks. The European Parliament has, on several occasions, pointed the finger at the obvious idiocies of international finance, but its voice was not heard. The European summit claimed to be determined to learn lessons from the crisis and to make all those involved in the financial system act more responsibly, including with regard to pay and other inducements. There is going to be an international conference to discuss it all. So, are we going to end up with a new Bretton Woods? It seems doubtful. Voices are already being raised, including within the Presidency, warning against over-regulation. Commissioner McCreevy is being ever more provocative: he does not want to legislate for leverage ceilings on investment funds. While the European Council wants to regulate the fantastic bonuses of the golden boys, Mr McCreevy is putting his money on the self-regulation that we have seen at work over recent years. While even Mr Paulson is calling for better regulation of the markets, Commissioner McCreevy feels that, I quote, ‘there is a real risk that well-intentioned desires to address market failures translate into rushed, clumsy and counterproductive regulation’. The Charlie McCreevys of this world are already preparing us for the next speculative bubble, which I predict will form around the secondary market of the emissions quota trading system. In the meantime, Mr Sarkozy, the real economy is entering into recession. Now is not the time to scale back our ambitions regarding the environment, but neither is it the time to change, unilaterally, the only European industrial sector that is open to international competition.

Marielle De Sarnez (ALDE). – (FR) Mr President, at this time of global financial crisis, Europe is taking its first steps as a political player; and under your Presidency, under the French Presidency, the Heads of State or Government have made the right decisions. I also think that the European plan is better thought out than the Paulson plan, and I hope that it will be able to limit the damage.

Clearly, we now need to go further. The reform of the global financial system for which we are all hoping and praying will only be possible – I am absolutely convinced – if Europe is in a position to make its presence felt, and, for that to be the case, we will need to find new resources. We will need to set up a European financial markets authority and a European banking committee. We need a European regulator who will, at that point, be able to talk to the US regulators, and we must be able to bring an end to tax havens on our own continent if we want our efforts to defend this idea at global level to be credible.

Equally, if we are to face up to the economic and social crisis, we will need a European response. We need a joint action plan to help our fellow citizens, so that, tomorrow, we can invest in non-relocatable activities – for example, heavy infrastructure or a plan to bring buildings up to environmental standards. We will need economic governance of the euro zone – it is certainly time. More than that, though, we will need, in future, to think, to define, to support and to inspire a model of European development that is ethical, humane, socially responsible, and sustainable in all senses of the word.

Konrad Szymański (UEN). – (PL) Mr President, I am glad we have allowed ourselves more time to adopt a more balanced decision on reducing carbon dioxide emissions. The system proposed by the Commission apportioned the cost of introducing restrictions in a very unequal manner. It meant that countries whose energy production is based on coal would have to incur costs of the order of billions of euro per year. These countries tend to be the poorest countries of the Union. This is something that for example Poles, who would have to pay dearly, simply cannot understand. It is important to bear in mind that we are hardly setting a good example by being the only ones in the world to introduce such a system, thus weakening the foundations of our own economy.

In addition, the financial crisis must not serve as a pretext for sidelining the situation in Georgia. We should recall that Russia is maintaining in excess of three times more troops in the disputed areas than were present there on 7 August. Russia is pursuing a *fait accompli* policy in relation to the international status of Ossetia, and is failing to implement the peace agreement. It has therefore abrogated the right to be a partner of the European Union.

On a lighter note and by way of conclusion, the more often you attend sittings of the European Parliament, Mr Sarkozy, the less certain I am as to whether I would rather be listening to you or to your wife. I have to say, however, that although I sometimes disagree with what you have to say, you certainly liven up the Chamber when you say it. Congratulations on that achievement.

Philippe de Villiers (IND/DEM). – (FR) Mr President, I only have one minute, but I wanted to say that, during this financial crisis, you yourself have managed to overturn the institutional dogmas: Brussels, Frankfurt, competition, the Maastricht criteria, the global free trade system, the ban on State aid for businesses and, in particular, for the banks, and so on.

A moment ago, you referred to the issue of sovereign funds, which is extremely important for the future, in order to save our businesses if they become, or rather if they are, because they are, at rock bottom. However, Mr Sarkozy, as it stands, the Treaty of Lisbon – which the leaders of Europe, and you in particular, are trying to keep on life support – would have prevented you from doing what you have just done. It bans all restrictions on movements of capital, it bans all interventions and political influence on the Central Bank and, above all, it bans all State aid for all businesses.

The question is simple: what are you going to choose, Mr Sarkozy? Are you going to have your hands tied, or a free hand? In order to have a free hand, you need not the Treaty of Lisbon, but a treaty that takes account of the lessons that, together, we are now learning.

Sergej Kozlík (NI). – (SK) I agree with the conclusions of the European Council that the European Union must strive, along with its international partners, to bring about a complete reform of the financial system. This situation will linger for at least 10 years and it is ordinary people who will pay for all of the errors. Decisions must be taken quickly on transparency, global regulatory standards relating to trans-border supervision and crisis management.

State aid within the framework of individual countries must not be allowed to distort economic competition, for example through discrimination in favour of branches of those banks which are owned by a central bank in another state of the Union. There should, however, also be no disproportionate flows of liquidity from branches to their parent banks. I am in favour of a rapid strengthening of the rules governing the activities of rating agencies and their supervision. We also need a quick decision on rules governing the safety of deposits, with the aim of providing greater protection for consumers.

José Manuel García-Margallo y Marfil (PPE-DE). – (ES) Mr President, I am going to indicate the points on which I agree and disagree with the Presidency and also say what was lacking, in my opinion, from the Presidency's speech.

I agree that the origin of the crisis is not limited to the subprime crisis in the United States. I agree with the principle of what Alan Greenspan is now calling the stage of 'irrational exuberance'. I agree that the markets have failed because regulation has failed and that governments have had to come to the rescue. I agree that this is a global crisis and I therefore agree with the need for a Bretton Woods that some are calling Mark II and others are calling Mark III. Certainly, President Sarkozy's reference to the current system reminds me very much of what General de Gaulle did before the first Bretton Woods failed, before the 'rendition' of Fort Knox when President Nixon decided to unpeg the dollar from gold.

For this reason, we need to establish a European diplomacy, a diplomacy of the euro, where Europe speaks with one voice and has to 'put its house in order'. However, 'putting its house in order' means continuing to develop the financial markets – in this case the retail markets so that they reach the appropriate size – and reflect on the regulatory framework.

As for the European Central Bank, I agree that it has done well. It has acted quickly, but also erratically. It has changed the rules on maturities and guarantees three times, whereas the banks need certainty in their financing.

Secondly, monetary policy – the lender of last resort – is still centralised. However, banking supervision is still decentralised.

Mr President, has the time not come to decide whether we want to develop Article 105 of the Treaty, which gives greater supervisory powers to the European Central Bank?

I totally agree on the issue of economic governance. While we are engaged in this ideological dance, we should remember that Marx said that, when economic structures change, the political superstructures must also change.

We did Maastricht but we have not sorted out the institutional architecture.

Before Lisbon, we must determine which formulas will allow us to advance on this issue.

Thirdly, and very importantly, I have one very specific request. The financial economy must be set against the real economy. Do not bid farewell to the presidency, Mr President, without first entrusting the Commission with the specific task of establishing a Lisbon+ agenda which must come into force on 1 January 2011 and which must involve a revision of the financial frameworks.

I have a final quotation. On this ideological theme, a Spanish philosopher – Unamuno – once said that he was anticlerical in defence of the Church. I am against total deregulation of the market. I believe that, in this regard, the Presidency and I are in agreement.

Poul Nyrup Rasmussen (PSE). - Mr President, this crisis could have been avoided: it is not an unavoidable law of nature. It is a long story, and I do not have time to go into it, but for now one thing is certain: please let us learn from our experience and let us do things together. Let us keep momentum.

President Sarkozy, you are so full of energy, but keep this energy now because, urgent as it was to avoid a meltdown of our banks, it is now just as urgent to regulate better and prevent this recession taking hold. I appeal to you today, and also to the President of the Commission, to make the following commitments.

First: give us a pre-Christmas gift, President Barroso – concrete proposals on new and better regulations. I am sure that the President-in-Office of the Council, President Sarkozy, agreed with me when he asked you to commit yourself today to respond to this report from the European Parliament with the following concrete proposal: it is not only about regulating the banks, but also about regulating hedge funds and private equity. That is the first commitment.

I was so happy, President Sarkozy, when at Camp David you mentioned this simple fact at the outset, because hedge funds and private equity companies are now trying to tell the story that they have nothing to do with the financial crisis. This is simply not true. They have been operating with excessive debt and greed for many years, so, please, promise me today that all actors will have to be regulated; otherwise we are not learning from our experience.

Second: I could mention a lot of details, but I just want to have an answer from Commission President Barroso – please commit yourself to living up to this Parliament's proposals on regulating the market.

The last point is directed at President Sarkozy. You and I – and we all – think this is a time of destiny for the European Union. Do not give ordinary people the impression that the European Union is incapable of avoiding a recession that will hit millions and millions of innocent workers. That is why I want to repeat what you yourself said: let us do it together. I have calculations, and I think we should ask the Commission to confirm, President Sarkozy, that if we do things together and invest just 1% more in infrastructure, in education, in labour market policy, and in investment in private industry each year for the next four years, we will have 10 million more jobs. I think this is a target worth going for, and I sincerely hope that you will commit yourself, President Sarkozy, to realising this in December or before. It is now or never.

Annemie Neyts-Uyttebroeck (ALDE). – (FR) Mr President, Mr Barroso, Mr Sarkozy, I have already twice had the opportunity, in the Committee on Foreign Affairs, to say how much I admire the action you have taken during the crisis between Russia and Georgia, and I say it again today. I have the same admiration for your action on the financial crisis and the economic consequences it brings for us.

With regard to Russia, however, let me say that I am not entirely reassured to read, in the Council conclusions, that it has apparently been decided that the negotiations on a new pact or strategic alliance with Russia will continue regardless of what transpires, even if the conclusions of the Council and the Commission are taken into consideration. I do not find that reassuring at all because although, on the one hand, I am convinced, like you, Mr President, of the need to continue to engage with Russia, I also do not think we should give them

the impression – I am sure that you will not do so – that nothing has happened, and that everything will be business as usual.

I am sure that you will be keen, and I ask this now on behalf of my group, to say clearly to Russia, when you go to Moscow for the Summit, that it will certainly not be business as usual and that we are going to be extremely vigilant in this regard.

Bernard Wojciechowski (IND/DEM). – (PL) Mr President, Robert Gwiazdowski, an expert at the Adam Smith Institute, is on record as having written that Monty Kaczyński's Flying Circus had flown back from Brussels but that it was not at all clear why it had flown there in the first place. The cost to Polish taxpayers of getting their President to Brussels was around EUR 45 000. I should like to put the following question to you, President. Why did you allow a politician who was not a member of the Polish government's delegation into the debates? Nobody really knows what that person was doing there. Furthermore, Mr Kaczyński has gained considerable support from extremist groupings in Poland. The groupings concerned could even be described as fanatic. In addition, so far as I am aware, Mr Kaczyński can only speak Polish. He is incapable of expressing his ideas in any foreign language. I would therefore be most interested to know how you managed to converse with him, Mr President. Could you please explain to the House what exactly Mr Lech Kaczyński was doing at the European Council Summit and what you discussed with him in person?

Hans-Peter Martin (NI). – (DE) Mr President, we have been discussing the globalisation trap, *le piège de la mondialisation*, for more than 12 years and now it has snapped shut. Mr President-in-Office of the Council, I would like to make you a practical proposal. I suggest that you establish a university chair in the history of the financial markets. This would allow for detailed research into how it has come about that we are in the position in which find ourselves at the moment. In the spirit of what was said by Martin Schulz: 'Never more', by which he probably meant 'never again', in other words, something like this must never happen again. 'Never more' would mean: Let's go this far again. That must not take place.

This chair would allow us to determine to what extent the blame lies with the Conservatives, driven by exaggerated US neoliberalism, and to what extent with the Social Democrats, who have not pressed firmly enough for social balance. Take the opportunity to learn from history, so that we can establish a bold European social democracy and not settle for the trivial benefits which the Treaty of Lisbon would allegedly have given us, despite the fact that this is not even correct.

Margie Sudre (PPE-DE). – (FR) Mr President, the conflict between Georgia and Russia and the financial crisis have both been opportunities for the European Union to make its presence felt on the world stage as a fully-fledged first-rate political player.

Thanks to your determination, Mr Sarkozy, Europe has managed to come together to find coordinated, effective and speedy responses. In the face of crisis, Europe has shown that it really exists and has demonstrated its added value.

With regard to immigration, for example, the 'every man for himself' principle was no longer in fashion. The European Council's adoption of the pact on immigration and asylum, initiated by the French Presidency, represents a considerable step forward.

With respect to the fight against climate change, Europe needs to set itself concrete objectives and show its global partners the way. You have already spoken on this subject, Mr Sarkozy, but we hope that this agreement will be as balanced as possible, because it needs to take account of the economic situations of our countries, which are currently very unstable. We also, however, need to examine the issue of the type of growth we will choose for the future.

In order to face up to the challenges before it, the European Union now needs the Treaty of Lisbon more than ever. We understand the concerns of the Irish, but keeping the *status quo* is not an option. Ireland needs to propose a solution during the December European Council: there are many of us calling for that.

In recent weeks, we have looked on with pride at a strong political Europe, united in adversity, presenting a determined front to its partners, and listened to on the international stage. We hope that this new European mentality will become the rule and will endure. The Treaty of Lisbon is the best solution available to us to achieve that.

Martin Schulz (PSE). – (FR) Mr President, I do not know which of the Rules of Procedure entitles me to take the floor, but thank you for having given me the opportunity.

President Sarkozy, I was under the impression that you were speaking here in your capacity as President of the European Council, and I responded in my capacity as chairman of a group in the European Parliament. I did not have the impression that I was speaking to the President of the French Republic, otherwise I can assure you that my speech would have been quite different, as there are no differences between me and my French Socialist colleagues.

Nicolas Sarkozy, *President-in-Office of the Council*. – (FR) Mr President, first of all, it was entirely natural for Mr Schulz to respond. As I understand it, he was doing so in a personal capacity. My dear Martin, if I hurt you by comparing you to a French Socialist, I regret it.

(Applause)

In my mind, it was not an insult, but I freely admit that the important thing is what the addressee thinks. Therefore, Mr Pöttering, I withdraw my remark. Mr Schulz is also able to speak like a French Socialist.

Mr Nassauer, thank you for your support. Yes, we need the Treaty of Lisbon and, to speak my mind, I will fight to the very last minute of the French Presidency to convince people of the need for Europe to develop institutions for the 21st century. A politician is somebody who shoulders his responsibilities. I supported the Lisbon process and I will fight to ensure that the Lisbon process reaches its conclusion; and I would reiterate one thing: if we do not have Lisbon, we will have Nice, and if we have Nice, that is an end to new enlargements, which would be deeply regrettable. Let us hope, then, that everybody will shoulder their responsibilities.

Mr Nassauer, I take your point that much work is needed on the climate change package. I am well aware of that, but we must not give up on our ambitions, for I am convinced that it is easier to reach a compromise on a big ambition than on a small one. A really ambitious proposal will be easier to reach a compromise on than a more limited proposal, and it would be a mistake if, in trying to please everybody, we ended up with a completely incomprehensible European policy. We must be aware of this risk.

Mr Goebbels, you talked about plumbing and architecture, and, indeed, I am counting on Luxembourg's support so that the financial architecture can be fundamentally redesigned both within and outside our continent.

However, Mr Goebbels, this is not a criticism, far less an attack: it is simply a comment.

Mrs De Sarnez put it very well: we cannot fight against certain practices outside our continent, and yet tolerate them within it. That is all. Those who think they are being targeted are really assuming a lot; I myself am not targeting anyone in particular, and I would not dream of doing so.

Mrs De Sarnez, thank you for saying that we have taken the right decisions. May I say, personally, that I support your proposal for a European regulator: it makes sense. Why can we not manage it straight away? It is because certain smaller countries think that, by defending their own system of regulation, they are defending their national identity. I am not blaming anybody. Therefore, Mrs De Sarnez, my view is that, at the end of the day, we will need a European regulator and that, in the meantime, we at least need to establish coordination between European regulators. That is the route that we are proposing, with the Commission, and I think that it is the only realistic one, because otherwise we will reach an impasse.

You also mentioned the need for European economic governance and a European economic plan. You are right to do so, but I should like, in connection with your speech, to challenge the claim, not made by you, equating any European economic initiative with an increase in the deficit. Emphatically, enough is enough. We have the right to speak freely. It is possible to be in favour of a European economic policy without favouring an increase in the deficit, and we will not be able to coordinate European policies simply by means of a revival on request.

We – I am not saying 'you' – must not put words in each other's mouths like we did, back in the day, with those who dared to have an opinion on monetary policy: it is possible to advocate a different monetary policy without bringing into question the independence of the ECB. I will say it: it is possible to be in favour of a European structural economic policy without favouring an increase in the deficit. Let us stop saying that some are right and some are wrong. Far from it, the European debate must be a real debate, and nobody has a monopoly on the truth.

From time to time, we need to step away – and this may be the only point on which I agree with Mr de Villiers – we sometimes need to step away from the dogmas that have so damaged the idea of Europe, dogmas that

have even less legitimacy given that they often do not result from decisions made by democratic, and thus legitimate, bodies. My own European ideal is strong enough for European democracy to be a true democracy. Groupthink, dogmas, habits and conservatism have done a great deal of damage, and I will take the opportunity to say more on that in relation to another subject.

Mr Szymański, I should like to say that I understand full well Poland's problems, particularly the dependence, up to 95%, of its economy on coal, but I think that Poland needs Europe in order to modernise its mining industry and that we can perfectly well reach agreements with Poland on clean coal. What is more, in order to modernise its mining industry, Poland needs the whole of Europe. We need Poland, and Poland needs Europe. It is on this basis that we, along with Mr Barroso, are going to seek a compromise with our Polish and Hungarian friends and some of those who have concerns about their growth.

Mr de Villiers, I have, as you say, overturned dogmas, because I believe in being pragmatic, but, honestly, do not ascribe to Lisbon, to the treaty, shortcomings that it does not have. I am in a position to know that the Treaty of Lisbon is not a miracle. It is not perfect, but, apart from in the Vendée, Mr de Villiers, there is no such thing as perfection, particularly when we are bringing together 27 countries with different governments and different histories. You need to give up on the ideal treaty – you know full well that it will never exist. Europeans are pragmatists, sensible people who would prefer an imperfect treaty that makes things better to a perfect treaty that will never exist, because there will never be an agreement on this intangible idea.

That is what Europe is all about: making progress every day, because we wanted to bring an end to war and because we want to create an area of democracy. I think, Mr de Villiers, that you should turn your mind to a different fight, because this one appears to consist in your creating an imaginary enemy when it is quite clear, in the current crisis, that the people of Europe understand that working together is a strength, not a weakness. Even somebody as strong and as talented as you will be powerless to face this financial crisis alone. It would be better to achieve a proper compromise with the whole of Europe than to sit on your own in a corner, knowing that you are right.

On the subject of having a 'free hand', Mr de Villiers, my response applies to you, it is the response of a free man, including in French political debate. And I think that the most important thing for us is to stop waffling, and I think that good compromises can be reached by sincere people who follow through on their ideas and that the problem with European political debate is a lack of ideas, which has affected all of us, all the political groups, as if we were paralysed at the idea of coming up with something new. When Europe has moved forward, it has been because, at a given point, men and women have cleared new ground; and the self-criticism for which you were calling is something that we should all undertake. For a long time, we in Europe have acted as if we were immovable objects. We followed the founding fathers, but we did not follow their example: we did not clear new paths, or come up with new ideas. I firmly believe that, at this point, we need to show some imagination, because, in the end, the greatest risk comes from not doing anything, today, and from not being bold when faced with a completely new situation.

Mr Kozlík, transparency is absolutely vital. On the issue of rating agencies, I think that it is the attitude of the rating agencies that has been the most scandalous part of the crisis. These agencies rated products 'triple A' on Friday, and then downgraded them to 'triple B' on Monday. We cannot carry on with this monopoly of three rating agencies, most of which are American. The issue of the rating agencies, of their independence in relation to certain groups, and of the existence of a European rating agency will certainly be one of the crucial issues at the first summit on future regulation. On the subject of competition, I should like to say to you – to all of you who spoke about competition – that I believe in competition, but I have had enough of people who want to make it an end in itself, when in truth it is simply a means to an end. Competition is a means to growth; it is not an end in itself, and I will make every effort to bring this concept back into the new European policy.

I believe in freedom, I believe in free trade, and I believe that we should reject protectionism, but competition must be a means for growth. Competition as an objective, as an end in itself, is a mistake: I thought so before the crisis, and I still think so after the crisis.

Mr García-Margallo, you are right that we need a new Bretton Woods, because, as Mr Daul and Mr Schulz said just now, there is no point holding an international summit if all we are going to do is apply sticking plasters. If we are going to change half the system, it is not worth it.

You mentioned accounting standards, but take a look at our banks. To start with, the dictatorship of the US accounting standards has become intolerable. Secondly, the amount that the banks can lend depends on their own funds and assets. If we look at assets using mark-to-market, on the basis of a market that no longer

exists, having been completely destabilised, we will impoverish the banks, which will consequently be even less able to do their job. The question of changing accounting standards, as raised by the President of the Commission, had our full support – it was a matter of urgency. I should also like, Mr President, to pay tribute to the European Parliament's responsiveness in being able to vote for this change, because we reached unanimity in the codecision procedure with startling speed, which the European Council welcomed.

Mr Rasmussen, could we have avoided the crisis? Before we can decide that, we need to agree on what caused it. What happened? The United States of America, our allies and our friends, have been living beyond their means for the past three decades. The Federal Reserve Bank pursued a monetary policy that involved keeping interest rates extraordinarily low, which made funds available to anyone who wanted to borrow. For the last 20 or 30 years, we have been carrying with us the astonishing debts of the world's greatest power, and it is now up to the whole world to settle those debts.

Under those circumstances, the Americans need to shoulder their responsibilities and accept the consequences with us, but I do not see how we, on our own, could have told them to put a stop to this strategy. I would add that some of our banks are no longer doing their job: a bank's job is to lend to individuals and to businesses, to support individuals with the growth of their families and to support businesses with the growth of their projects, and to earn money after a given period. Our banks have developed in what they call the trading rooms, which are places of speculation, and they considered for years that it was easier to earn money by speculating than by investing.

I would add that the mutualisation of risks has meant that all our banks behave themselves. There are 8 000 banks in Europe, 44 of which operate internationally. If we had taken the responsibility of allowing a bank to fail, as occurred in the US with Lehman Brothers, the whole of the system would have collapsed. I do not know how we could have avoided the crisis, Mr Rasmussen, but I think that, if we had not responded as we did, the crisis would have buried us: that is something I believe quite strongly.

You say that we need proposals before Christmas, but actually we need them before mid-November. I do indeed intend, with President Barroso, to take initiatives to ensure that we, as Europeans, go to the summit with one voice, attempting one more thing, Mr Rasmussen: we need to agree not on the lowest common denominator, but on the highest, because any consensus entails the risk that, in trying to force an artificial agreement, we may scale back our ambitions. It is a risk. I hope that we will remain ambitious, and not scale back our ambitions too much, but still speak with one voice.

I will not go back over hedge funds; I have already said that they need to be regulated. No financial institution, be it public or private, should escape regulation.

Mrs Neyts-Uyttebroeck, you asked whether discussions with Russia will continue regardless of events. Of course not, but put yourself in our place. Russia stopped its tanks 40 km outside Tbilisi, as we in Europe had asked it to. Russia withdrew its troops back over the borders from before the crisis of 8 August. Russia allowed observers to be deployed, most notably European observers, and Russia, albeit with rather bad grace, is going to the Geneva discussions. If, given all that, we suspend the EU-Russia summit, who will be able to understand Europe's policy? No one.

I would add that, along with President Barroso, we have taken the precaution of not suspending, but postponing the summit. What is the difference? If we had decided to suspend the summit, we would have needed a unanimous decision from the European Council to resume, and in my opinion that would have been politically embarrassing. The decision to postpone it allows us to resume without giving out gold stars that are not deserved. I therefore believe that this strategy shows composure, and is calm and lucid. I do not think we could have done anything else, and I remain convinced that Russia will be a partner with which we can have dialogue, with which we can be frank, but we can only encourage them to develop if we talk to them. If, on the other hand, we do not talk, Russia will feel that it is surrounded, and our ideas will be less influential. I am convinced of this but, of course, I may be proven wrong by future events. It is therefore a question of accepting our responsibilities.

Mr Wojciechowski, it is not up to the President-in-Office of the Council to decide who should represent Poland. Poland had two seats at the European Council, and it was up to Poland to decide who should be in them. Imagine a Europe in which the President of the European Council said, 'no, you cannot come in, and you can'. What sort of Europe would that be? Poland has a president – whom you clearly do not support – and it has a prime minister; it is up to them to act as statesmen and as Europeans to decide who should represent Poland. In the end, we managed to get through it, and at the beginning of December I will have the opportunity to go to Poland, where I will tell the Polish President: 'You must keep your promise. You

promised to sign the Treaty of Lisbon, which your parliament ratified, and you must keep this promise.' That is the credibility of a statesman and a politician.

(Applause)

I believe strongly enough in Poland's importance in Europe to say so without anyone taking offence.

Mr Martin, we need a bold European democracy. I am aware of your campaign, your campaign against corruption and for a fully-functioning democracy. You are absolutely right, but I can tell you that, with President Barroso, we have shown that we can be bold. Moreover, there are even people in this Chamber who felt that I was moving without a mandate. If I had to wait until I had a mandate to move, I would certainly move less often.

Mrs Sudre, thank you, too, for your support. Europe does exist now, and you are quite right that the *status quo* is not an option. I think that is something on which we can all agree. The worst possible outcome would be if, once the storm had passed, we carried on as if nothing had happened. That would mean the end of the European ideal, and we do not have the right to let this opportunity pass us by.

So, then, some people are surprised: why are we holding a summit so quickly? This is why. It is because we said to ourselves that, if we waited too long, particularly if we waited until the new US President were elected, the situation could continue to worsen and we would have no answer. Or else the situation would improve, and then, by next spring, everybody would have forgotten about it and nothing would change. We therefore needed to hold the summit, or at any rate the first one, in November, regardless of the timetable in the US.

Ladies and gentlemen, I think I have responded to everyone who spoke. I am also bound by the Presidency's timetable and the press conference that I have to give with the President of the Commission and the President of the European Parliament. I should like to apologise to the other speakers if I have not responded to everybody. It is not, of course, because I do not want to, but because I have been asked to stick to the arrangements for the day. I have tried my best, and I will, of course, have the opportunity to return to your Parliament in December, if you wish, to respond at greater length to the questions of everyone who takes the floor.

President. – Mr President-in-Office of the European Council, it is clear both from the speeches and now from the applause that you have the support of the European Parliament.

José Manuel Barroso, President of the Commission. – I would just like very briefly to answer the question put to me by Mr Rasmussen. I must also ask to be excused, as I have to be at the press conference. The Commission will be represented by Commissioner Almunia.

As I said in my previous remarks, no area of the financial markets will be absent from our review. I really want to thank you for the contribution that you personally – and many Members of the European Parliament – made in your report. We will look at all these options. As President Sarkozy has just said, we want to lead this global effort. We believe that we can put some of those proposals into effect before Christmas, as you asked, but some are technically very delicate. We will take a decision and will feed into the international debate on all those matters, but I believe it is also important to have technically sound proposals. I am sure you have noticed that we have made everything that has been agreed with Ecofin – the financial road map – available to you. It is not accurate to say that we have not legislated in financial services under this Commission. Thirty-two legislative measures adopted under codecision or comitology have been adopted in the area of financial services since the beginning of this Commission, of which 19 were under codecision. There will be several more in the coming weeks and months, starting with the proposal on rating agencies early next month.

Let me give you an example about rating agencies. Let us be very open about this. I personally spoke with several governments several times about the need for regulation on rating agencies. The response was a definite 'no'. This is true. That is why I ask you – some of those who criticise the Commission: maybe you can use some of your influence in your own governments or the parties that are in your governments. That would be most helpful because, in fact, some months ago when we discussed this – and in this area Commissioner McCreevy was in favour of regulation for the notation agencies – the most ambitious proposal that some governments were considering was a code of conduct.

You may say that is all very well and the Commission has the right to do this. That is true, but in financial services matters, things are not – as you know – as they are in many other matters. When we were in a crisis – and the peak of the crisis was in September this year (but since August of last year we have had this road

map) – we were, in fact, strongly advised by many in our governments not to put forward proposals that could raise the level of alarm or create a kind of alarm reflex. This is a matter in which I believe the Commission has to be prudent. In the very sensitive issues concerning financial markets we cannot have empty announcement effects. We cannot just make proclamations. It is very important in this matter to maintain coordination between Parliament, Commission and Council. I would say that in the European Commission we are, by definition, in favour of a European dimension in regulation and in supervision. I say this very frankly. If the Commission does not often make proposals that you have rightly put forward, it was not always because we were sleeping or because there was an ideological bias. It was because analysis of the situation showed that the possibility of achieving them was zero, or close to zero. Very honestly, this is something I want to tell you. We will have time to look at all the causes and all the stages of this process, but I think this is important for you to know in the debate.

Quite frankly, two weeks ago some of our governments were still saying that we did not need a European response. Perhaps you noticed that I published an article in the European press asking – pleading – for a European response, and some of our governments were saying, 'No, we can do it at national level. We do not need a European dimension'. So let us try to act collectively. Let us look at ourselves critically, as we all need to do, but let us try to avoid a simplistic response to a very complex issue. We are ready to work constructively with the European Parliament and the Council in order to find good solutions for Europe and, possibly, for the rest of the world.

(Applause)

IN THE CHAIR: MRS ROURE

Vice-President

Gilles Savary (PSE). – (FR) Madam President, I very much regret that Mr Pöttering did not give me the floor when I requested it, because I was simply asking him for the right of reply, and I would have preferred it to be while the President of the Council was here.

I am incensed at the scapegoating of the French Socialists that we heard here. I have never, never seen a President-in-Office of the Council call into question any political party. I have never seen a President of the French Republic ridicule his compatriots in an international arena like this, and I therefore find it offensive, and I should have liked to have a formal apology from the French Government.

(The President cut off the speaker)

Robert Atkins (PPE-DE). - Madam President, on a point of order. We have yet again a further example of the ludicrous mismanagement of the affairs of this Chamber. It is about time that the presidency realised that when votes are to be held they should be held at the time promulgated, and no one is more important than the exercise of our democratic rights during votes. I ask you, please, to raise, at the presidency, how our affairs are managed, so that that they can be improved and we vote at the right time and speeches are kept to the right length.

(Applause)

President. – Mr Atkins, if you do not mind, we will now continue the debate.

Ladies and gentlemen, I would ask you to adhere scrupulously to your speaking time. Do not be surprised if I cut you off.

Linda McAvan (PSE). - Madam President, it is a pity that the President-in-Office of the Council has gone, because I had a message for him, but I hope Mr Jouyet will take it.

What he said this morning on climate change is extremely important, and he was right to remind Mr Nassauer that now is not the time to abandon our climate change ambitions and to water down the proposals before us.

(Applause)

There has been a huge lobby in this Parliament and in the Council. It started long before the financial crisis broke this summer: it started last year. Hardly was the ink dry in Berlin when people started to try and water it down.

President Sarkozy asked for the *engagement* of Parliament. He is going to get more than the *engagement*: he is going to get us in codecision. I do not know why we are even discussing the importance of codecision: there will be no climate change package without the codecision of this Parliament.

We want agreement by Christmas. The Socialist Group can give you that commitment. I am not sure about the other side – perhaps Mr Sarkozy will ask his people. The Socialist Group wants a commitment by Christmas, but not *any* agreement. We want a credible agreement; we want one that balances environment, jobs and competitiveness.

We do not, however, want one which is the lowest common denominator. President Sarkozy just reminded us about what happens if you go for the lowest common denominator. We know that individual countries have problems – and we can talk about them – but we need to have a package that is credible for the international talks, not one based on offsets in other countries because that is not a credible package, and not one which dismantles the emissions trading scheme and destroys the carbon price. President-in-Office, I hope you will take these messages back to Mr Sarkozy.

Mr Nassauer talked about the cost of the climate change package. Today we are throwing billions and billions at the financial crisis that our banks are facing. Of course, there is a cost which the Commission has worked out for the package, but I do not want to go back to our citizens in a few years time and say that, because we failed to act here and now on climate change, billions more will need to be found. Worse than the money involved, lives will be destroyed all over the planet. Let us have some political courage from all sides of this House; let us go forward and make the agreement with the Council and do it before Christmas in time for the international talks.

(Applause)

Margarita Starkevičiūtė (ALDE). - (LT) I would like to say just one thing. The President of the Commission said that the European Union's response to the crisis was insufficient. In fact, the response was strong, Member States responded, but European institutions were slow to react. That was illustrated perfectly today in this hall – when Mr Sarkozy left, all the journalists left. No one is interested in us. The reason for this, above all, is our inability to reform the way we work. There are many splendid people in both the European Commission and the European Parliament, but the bureaucratic system inhibits any initiatives. We were able to react to the tsunami in Asia, but tomorrow we will discuss a budget, which has been prepared without taking into account the fact that we are experiencing an economic tsunami in Europe. We could do something, give other priorities in our budget. We could also set priorities in our parliamentary committees, which would help us to survive this crisis and meet people's expectations. The European Commission should be reformed. I would like to stress that the Commission's strategic functions should be separated from its technical ones, and then it would work more effectively.

John Bowis (PPE-DE). - Madam President, to the President-in-Office, but now in absentia, I would say: you spoke eloquently this morning about the challenge to our economic future, which is rightly at the top of our agenda, but no less rightly and no less eloquently you made it clear at the summit, and again today, that your intention is to maintain the timetable and the targets for tackling climate change. Your words are fundamental and right. The climate change package, you said, is so important that we cannot simply lose it under the pretext of a financial crisis.

It was very significant that Chancellor Merkel, despite the real concerns her country and others have, made it clear that Germany spoke out in favour of implementing the climate change targets and finding solutions before the December summit. If that is the challenge you give us, I believe Parliament will respond, effectively and in good time.

But the focus now, I have to say, is with the Council. To achieve this, we will need reassurances for the countries which have real problems, as Poland does with coal. We will need to be clear about the criteria for the lighter touch which we know will be provided for a limited list of industries and sectors faced with real leakage challenges. We must also be very clear that our support for biofuels in transport is dependent on the development of fuels from sustainable sources. Without that, we could do irreparable damage to our environment and to the habitats of people, wildlife and plant life.

We have set ourselves an enormous challenge, but it is one that we cannot afford to lose. An environmental disaster would make our current economic problems pale into insignificance.

As President Sarkozy said, the two policies must ride together. But we must just make sure – and the President must make sure – that Parliament is not left stranded by the Council's inability to follow his lead.

Bernard Poignant (PSE). – (FR) Madam President, I am the first French socialist involved in this debate. I regret that the President-in-Office of the European Council has left, having seen fit to joke about a major party in his great country. He has every right to do so, but he also has a duty to stay to hear the response: that is my complaint against him. Equally, I do not think it a good thing for the President-in-Office of the European Council to try to create divisions in one of Parliament's major groups. Mr Schulz responded to him. When he gibes at French socialism, just consider the target of his gibes. He forgets that French socialism gave Europe François Mitterrand, he forgets that it gave us Jacques Delors...

(Applause)

... and he forgets that, in the interests of giving himself credibility in Europe, he has even borrowed two socialists, Bernard Kouchner and Jean-Pierre Jouyet.

Lena Ek (ALDE). - (SV) Madam President, two things are important. The first one is the financial crisis. It is important that we speak with one voice from Europe. The last time we shared the handling of a crisis with the US was when we were to discuss terrorism. We imported a lot of rules that now seem very foreign to the European way of thinking with regard to personal privacy. We need to have a European approach to this crisis and we therefore need to have common rules and standards for things like transparency, solidarity and what financial instruments are to be used on the European market. The Stability Pact would be an excellent tool for this.

The second is the climate change package. We have voted on the climate change package in the two main committees and, with a large majority, have decided on a line that supports the Commission's proposal. We are not about to go into reverse with regard to either the objectives or the timetable. If the Presidency is serious about emphasising both the objectives and the timetable, we will await notification of when we can sit down and discuss the matter in concrete terms. As far as Parliament is concerned, we will use our power of codecision and the codecision procedure within the interinstitutional balance.

(Applause)

Alexander Radwan (PPE-DE). – (DE) Madam President, I would also have preferred to speak directly to Mr Sarkozy and Mr Barroso, in particular because I wanted to approach the President of the Commission, as we have had little success with some of the Commissioners in recent years.

The citizens expect Europe to concern itself with important matters and not with trivialities. Mr Schulz, who has just left the Chamber, has lumped all the Conservatives together. People do not expect to be nannied over minor issues. Instead they want more freedom from regulation for small and medium-sized businesses and for citizens and more action on major questions. I would like to emphasise that the European Parliament has already called on the Commission in 2003 to present a proposal on credit rating agencies. Amazingly the Commission has become aware in the meantime of the term hedge fund, although this undoubtedly is not true of all the Commissioners. The Commission President is now looking into this area.

Mr Schulz made things very simple for himself by stating that only the Conservatives were to blame. In fact it was the Council which over many years prevented any progress being made in the area of supervision. It was the German finance ministers Mr Eichel and Mr Steinbrück. I would like to remind Parliament that the person who was regularly responsible for slowing things down at a European level – and I would ask the socialists to tell their Chairman this – was Mr Koch-Weser, who now holds a good position at Deutsche Bank.

In future we expect Europe to introduce its moral values and priorities into the regulation of the financial markets. This means sustainability, not just maximising the risks in order to maximise the returns. It also means focusing on the fundamentals, as a medium-sized business would do. This is something which we must introduce in an international context. It is not enough simply to hold international conferences. Europe must be united in order to ensure at an international level that something like this does not happen again.

Pervenche Berès (PSE). – (FR) Madam President, on looking at the Council conclusions, I am struck by something. The issue of pay is mentioned, and quite rightly, as it is a major issue that we need to deal with together, and take responsibility for. However, there is also the issue of tax havens, and, on that subject, I have the impression – though I may have misread it – that, even between the lines, the text is silent.

The President-in-Office of the Council has said that we need to be ambitious and not just follow the lowest common denominator; I would invite him to follow the same line on the issue of tax havens. I would also invite President Barroso perhaps to enlarge his task force to handle this crisis by including Commissioner Kovács, if he really wants to deal with these issues.

Finally, I would invite the Commission to call on the Member States to revise their national action plans. What is the point of us coordinating economic policies on the basis of national programmes that do not even take account of the predictions of recession that we will need to face? If it takes economic governance seriously, the Commission needs to require the Member States to review their plans in light of the reality of the economic situation that they will need to face up to.

At last, everybody has had their say and, in the end, we have a certain amount of European cooperation, but it is not enough. We have an historic opportunity to give the States the tools to influence the reality of economic policies and the Member States' economic and industrial strategies, so let us make the most of it. On behalf of the Commission, you need to take the initiative to provide a framework for the way in which the Member States use the nationalisation of the banks to turn them into instruments for the long-term funding of the investment we need...

(The President cut off the speaker)

Jacek Saryusz-Wolski (PPE-DE). - (FR) Madam President, Mr Jouyet, the European Council devoted part of its conclusions to energy security, but this issue has passed under the radar, and has been overlooked in the debates. It is now more important than ever. I support the Council's conclusions, but the devil is in the detail, and it is precisely those details, and specifics, that are lacking. I should like to raise two of them.

Firstly, there is the key issue of the EU's relations with the producer and transit countries. The idea of stepping up our energy diplomacy is fully justified, but what is always missing is the will, on the part of the Member States, to agree on the message we send to third countries and the consistency of our policies at national level in relation to the common interest of the Union. In short, we lack a common foreign and energy security policy. The lowest common denominator, namely the coordination of our positions towards our suppliers and transit countries, is a long way from being achieved and applied. Thus, instead of speaking with one voice, the policy in force is 'every man for himself', as illustrated by a series of bilateral agreements that weaken our negotiating position and tarnish the image of our unity towards the outside.

The second problem is the absence of European projects. There is no mention of oil and gas pipeline projects, which are vital if we are to guarantee our energy security, and the fate of Nabucco now seems uncertain, despite it being referred to as a high-priority project.

We also need to learn the lessons of the Georgian crisis with regard to energy security, by establishing an effective system to protect existing infrastructure in transit countries during periods of war or political instability.

In conclusion, I recall the Council's watchwords: responsibility and solidarity. It now remains for us to take more action, otherwise there is a risk that European external policy on energy security will never get off the page.

Dariusz Rosati (PSE). - (PL) Madam President, as I take the floor in the debate on the European Council conclusions, I should like to refer to two issues.

The first of these relates to the financial crisis. The latter has proved beyond all doubt that the system of regulatory oversight of banks is in need of radical improvement. The changes should focus on improving asset risk assessment and adjusting precautionary measures to new financial instruments. Changes leading to the elimination of the procyclical nature of decisions on mortgages are also needed, however. Mortgages increase as the price of property rises and decrease as it falls. It is precisely that mechanism that contributes to the emergence of speculative bubbles.

The second issue I wish to mention concerns the climate package. I welcome the Council's decision to seek a compromise on the system for the sale of authorisations for CO₂ emissions. There are Member States in which 90% of energy is sourced from coal. If these countries were required to purchase 100% of their authorisations from as early as 2013, the effect on their economies would be disastrous. Common sense and the principle of equal treatment require transitional periods to be introduced.

Avril Doyle (PPE-DE). - Madam President, in March 2007 under the German presidency, and again in March 2008 under the Slovenian, Europe's leaders committed themselves to achieving a target of reducing greenhouse gas emissions by at least 20% by 2020, an already limited ambition. Let us be under no illusion: in order to secure a post-2012 international agreement on climate change at Copenhagen, we will have to make a clear and unambiguous statement through our legislation.

The current international financial liquidity crisis and the economic backdrop has allowed many to grow cautious of setting long-term CO₂ targets or of committing industry to achieving the necessary greenhouse gas reductions and thus driving Europe's economy forward towards the low-carbon, sustainable economy which we so desperately need and which, I agree, will spark a third industrial revolution with exciting first-mover advantage for Europe in the whole area of new technologies.

However, the EU's post-2012 targets should not be seen in the light of the current economic crisis. I believe our governments will be able to resolve that in the shorter term and we must deliver now so that future generations will not bear the brunt – including the economic brunt – of any delay in terms of the climate and energy package. We cannot pay the higher price in the future for our inability to act now or history will not be kind to us – or as President Sarkozy said, we will miss our date with history.

The European Parliament has given me, as one of the rapporteurs on the climate package, a strong mandate to lead negotiations with Council in the trialogue, and I take this responsibility seriously. We must maintain the targets and timetable and, as Mr Sarkozy said, major ambition with some compromise will be the order of the day. I look forward to a very close cooperation with both the Commission and the Council under the French presidency. I believe that together we can and will find an effective and workable agreement on the climate and energy package by this December...

(The President cut off the speaker.)

Ieke van den Burg (PSE). - Madam President, it is interesting to see that financial market supervision has become a *Chefsache* in the Council. I appreciate the setting-up of the high-level group with Mr Jacques de Larosière, which we in the EP have been demanding for several years now.

I want to give this clear message: coordination alone is not enough. We really need institutional solutions. Voluntary cooperation of national supervisors on the basis of 'comply or explain' systems like in the Solvency II and the CRD proposals is insufficient, and the Financial Stability Forum, which is pretty unaccountable and which only has representatives from larger countries, with their national interests, is not sufficient. It does not give a clear voice from Europe. We need a unified architecture similar to the European system of central banks, which is perfectly placed to be an arbiter internally and a strong voice internationally.

Paul Rübzig (PPE-DE). - (DE) Madam President, first of all I would like to congratulate the Council on its agreement on the third way for the Climate Change and Energy package. This is a sensible solution which will allow us to avoid the compulsory purchase of the energy companies, but nevertheless ensures consistent competition.

The second thing I want to say is that the subject of CO₂ is, of course, particularly important in the context of the financial crisis, because with the auction we run the risk once again of bypassing the real economy and creating a new speculative financial instrument which will drive energy-intensive industry out of Europe. I would therefore ask you once again to consider very carefully whether the free allocation of CO₂ certificates with a clear 20% allowance would not make more sense than taking the money away from businesses which need it to invest in innovation and research in order to achieve the 20% reduction.

We need to give a boost to investment, particularly for small and medium-sized enterprises. Therefore I am also calling for the trans-European networks, in particular in the area of energy, to be significantly developed and for strategies to be developed for more effective energy efficiency measures, because this is particularly important for our small businesses, for employment in Europe and for net wages in Europe.

Finally, I would like to call upon Commissioner Kovács to consider how we could get the economy moving again using tax policy and, in particular, using new and shorter opportunities for depreciation and appropriate allowances. By implementing new tax policies and incentives, it may be possible to stimulate the European economy.

Giles Chichester (PPE-DE). - Madam President, it would not be far-fetched to liken the crisis in the financial markets to a hurricane: once the wind abates there is an illusion of calm, but the devastation left behind takes years to clear up, and so it will be with the economic and social consequences of the turmoil we have seen.

We have to strike a balance between continuity and adaptation in the light of changed circumstances. In terms of energy policy, that means sticking to strategic aims on security of supply, sustainability and competitiveness, while considering whether we need to change the tactics, the means. Energy is vital to our way of life and standard of living. It is a long-term industry, where building new capacity takes 5, 10 or 15 years and obviously cannot be a short-term answer to short-term challenges of the sort we face. In the same vein, tackling climate change is a long-term matter, and there is no silver bullet or simple solution.

As regards tactics, there are those who have reservations about the level and timing of the targets within the climate-energy package. There are those who were anxious about carbon leakage or the offshoring of European jobs, well before the financial crisis. Maybe we have to look at the detail, if not the principle involved, again.

However, my main concern at this time is what we should avoid doing, and that is falling into the trap of overregulation, because overregulation could precipitate something much worse: a re-run of the 1930s slump. I know well the importance of good regulation for making markets function well and for transparency, but let us not kill off the goose that lays the golden egg.

Ryszard Czarnecki (UEN). - (PL) Thanks to the efforts of the President and Prime Minister of my country, Poland, common sense prevailed at the Brussels Summit, and an appropriate message on the climate package was delivered. Pursuant to agreements at the Summit, for which thanks are due to Europe's leaders, the threat of unduly onerous environmental restrictions that would affect the new Member States in particular has receded. It has not totally disappeared, however.

The Summit also dealt with the financial crisis. Curiously, a smaller summit attended by the largest countries in the European Union had been held a few days before. This smaller summit was reminiscent of the Politburo of the Communist Party of the Soviet Union. It is not right for the most powerful Member States of the Union to impose their solutions on the other countries. In addition, the application of double standards is irritating. I refer to the fact that it is acceptable to finance banks in the Member States, but not acceptable to assist Polish shipyards. In this respect, the European Union is not unlike George Orwell's *Animal Farm*, where all animals are equal but some are more equal than others.

Zuzana Roithová (PPE-DE). - (CS) I consider the discussion on the extent and rate of improvements to environmental, social and other standards, along with the revision of European regulations, to be a key issue for resolving the economic recession which the European economy is now facing. Mr Schulz has quoted here with ridicule the undertakings of the Commission and the Council, but Parliament too can reduce the over-regulation of the Union. It is precisely the added negative value which undermines the competitiveness of the EU at a global level. The automobile, electronics, glass, textile and other industries do not need an injection of funds: they need sensible levels of regulation. The financial crisis is not the result of a lack of regulation, but the failure of control mechanisms. That is what failed to protect investments and what threatens employment. The same thing applies to regulations at a global level. The crisis and the global economic recession offer an opportunity for developing a more thorough set of regulations for global markets and not just European ones, with the aim of achieving long-term sustainable, environmental and socially acceptable development. This is the environment which we must create for Europeans at a global level as well. Otherwise I welcome the agreement of the Council on the energy package.

Stavros Lambrinidis (PSE). - (EL) Madam President, what we need here today is a new economic and social agreement, a 'new deal'. If the EU fails to achieve this, then market greed will continue to encourage counterproductive investments which mortgage its future and the future of its workers and citizens.

What do we mean by a new deal? We need a new system of economic governance, a new role for the European Central Bank, a new perception of the social state, not as the tail of the free market but as the key to development. We need new European funding, a green development fund, a serious globalisation fund and, of course, a bigger budget for Europe, and we need a new social Maastricht of employment and growth.

Marios Matsakis (ALDE). - Madam President, many European citizens – including some whom I represent – wanted to ask Mr Barroso and Mr Sarkozy whether they thought it was fair that the cost of this financial crisis should be borne by the ordinary European citizen, rather than by those banking executives in the United States or in Europe who made millions out of acting negligently – or even criminally in some cases – and who now enjoy their millions by having them in tax-free havens or in secure savings accounts. They

also wanted to ask Mr Barroso and Mr Sarkozy whether it was fair that, when the American economy catches a cold or has cancer, it should be the Europeans who undergo chemotherapy. 'Yes' to cooperation with the Americans, but 'no' to dependence.

Marie Anne Isler Béguin (Verts/ALE). – (FR) Madam President, Mr Jouyet, I was in Tbilisi when the president came to negotiate the peace plan, and I should of course like to pay tribute to him for his rapid action to put a stop to this war. However, the war was partly our own failure: for 14 years, we have been overcautious; we have looked on in silence as the provocations in the separatist regions escalated. It is true that this war was a wake-up call for Europe, confronting it with its responsibilities, but the fire is still smouldering in the Caucasus, and we must do everything we can to bring a definitive end to the frozen conflicts, in the interests of the security of the whole of Europe.

I also know, Mr Jouyet, that the countries of Europe are divided with respect to Georgia's entry into NATO; myself, I am against it. I will make you a proposal: I call on the European Union to propose neutrality for these countries in the Caucasus. Only neutrality will calm tensions with Russia and definitively protect this subregion from new conflicts. Neutrality will guarantee the security of these new democracies, and will help to ensure our own security.

Mirosław Mariusz Piotrowski (UEN). – (PL) One of the main issues raised during the Summit was the global financial crisis, in conjunction with the climate change package. It was right for the Council to focus on this problem. What is worrying, however, is that the key decisions were taken earlier, at a meeting of the representatives of a mere four countries. The position was subsequently consolidated in the so-called Eurogroup, and only then taken to the European Council. This procedure raises grave concern as to whether the European Council is really being treated seriously, or simply as a forum that rubber-stamps the decisions of a small group of leaders. Are we to consider that, for all intents and purposes, a three-speed Europe has now emerged?

In the light of the global crisis, it is also worth reconsidering earlier decisions on limiting carbon dioxide emissions. Immediate implementation of the former could further intensify the recession, especially in the countries of Central and Eastern Europe such as Poland, with negative consequences for the entire European economy. A separate package must therefore be adopted for those countries whose main source of energy is coal.

Jean-Pierre Jouyet, President-in-Office of the Council. – (FR) Madam President, I will be brief in view of the responses that have already been made.

I should like to say to Mrs McAvan that we completely agree with her that the package should be ambitious, that we hope that, if possible, with Parliament's assistance, we will be able to reach agreement by Christmas, and that we agree that it should not be just any agreement. We thus fully share your philosophy, and we hope that we will achieve a good balance between competitiveness and sustainable development.

Turning to Mrs Starkevičiūtė, what I wanted to say to her is that it is clear that the financial crisis has already had a major impact. We must, and I would say this to other speakers as well, stay on course, and that is why we are sticking with the energy and climate change package. On the subject of the EU's budget, we will debate that together tomorrow, in the context of your first reading. I believe that the Commission's proposal focuses on growth and sustainable development and that we must not move away from that, but we will return to that during tomorrow's debate.

In relation to Mr Bowis's comments, it is clear that we cannot put our ambitions regarding the energy and climate change package on hold in view of the financial crisis – that has already been emphasised. We must, though, take account of the variations in national sources of energy and of sectoral balances.

To Messrs Poignant and Savary I would say, first of all, that I recognise the great contribution made by the French socialists to the debates in the European Parliament and their great contribution to the Socialist Group in the European Parliament and, secondly, that I consider myself to be one of those who is most aware of how much Europe owes to Jacques Delors and François Mitterrand. I also think that the French Socialist Party sometimes needs to trumpet it more loudly, which would avoid certain ambiguities: 'Europe is not a cause for the right or for the left; it is a European cause'. That is the lesson I have learned from Jacques Delors, and I know that Messrs Savary and Poignant share this viewpoint.

Concerning what Mrs Ek said, of course we are sincere with regard to the objectives and the timetable. We must act to ensure that the package is ready for the international challenges that Europe will need to face.

With regard to the comments from Mr Radwan and others on the financial crisis, clearly we are taking action to protect citizens, to protect savers, and to ensure that those responsible for the crisis in the various institutions have to pay for it. We have already said that the duty of care principle should apply here. The money that has been put in must be used to protect citizens and savers; it is not intended to be given as a gift to the parties who are primarily responsible for the financial crisis, be it in the United States or Europe, because they bet too heavily on speculation.

Mrs Berès is quite right to emphasise, as has been said, the fight against tax havens both within and outside the EU. This matter was not dealt with properly in the conclusions of the European Council but, as the President-in-Office of the Council said, there will be other European meetings – and ‘European’ is the right word. This is not a two, three or four-speed Europe: these are European meetings in which we can draft, together, international financial regulations – new international financial regulations – that will pave the way for better long-term funding of the economy. I endorse what has been said on the need for diversity in the reflection group set up by the Commission.

Mr Saryusz-Wolski is quite right, and makes a very important point: we have not sufficiently highlighted the Council’s conclusions, particularly with regard to energy security. What was done during the last European Council on energy security is an extremely important point. At the same time, we need to give practical shape to what was said concerning relations with producer and transit countries. We are quite clear on what messages we need to send to third countries, and we must obviously have that in mind in the context of dialogue with Russia. We also need to give shape to these conclusions by supporting projects to diversify sources of supply, such as those have been mentioned, in particular Nabucco. Of course, it was, in this way, a certain type of Europe of energy that came into being during the last European Council.

Regarding Mr Rosati’s comments, as we have said, we must take account of the specific features of the energy situation in Poland, particularly with regard to coal, but it is clear that Poland will also have a responsibility to meet in the context of the preparations for the Poznań summit later in the year.

Finally, I am in complete agreement with what Mrs Doyle said. We must have a sense of responsibility. The financial crisis must not make us forget the response we need to make to the environmental crisis, and we must not hide behind the financial crisis.

With regard to what Mrs van den Burg called for, we do indeed need better institutional coordination at supervisor level. We need to distinguish between supervision and regulation, and, in terms of supervisors, we need better coordination at institutional level.

Like Mr Rübig, I am delighted at the agreement reached on the ‘third way’ energy proposal. It is, in my opinion, a thoroughly satisfactory compromise. That, I think, is what I can tell you. Equally, it is important to have tax incentives for energy saving: there I share his point of view.

Turning to what Mr Chichester said, it is true that we need structural solutions both for the financial crisis – that will be the challenge for the upcoming international summits – and for climate change, and we must, above all, have good regulation, not overregulation.

Finally, regarding Mr Czarnecki’s comments, it is clear that, in the face of certain industrial problems, we need to examine the adaptation options in some countries. This is the case for Poland and its naval dockyards; we are well aware of the issue.

Concerning what Mrs Isler Béguin said, lastly, we know that dealing with the problems in the Caucasus will be a long drawn-out process, and that Europe must also undertake preventive action. I agree with her that we must also be more forward-thinking regarding the status of these regions and Russia’s neighbours.

Joaquín Almunia, *Member of the Commission*. – (FR) Madam President, I have four points to make in five minutes. Firstly, Europe has responded, finally united. We had not begun ‘united’, but we responded in unison in the meetings of the Eurogroup and of the European Council, and we must continue to do so. That is the message that, I believe, everyone endorses. A union that moves from coordinating aid packages to coordinating banking systems. It is absolutely necessary to coordinate such systems at European level so as not to create problems in certain countries. A union in Europe designed for the global governance of the monetary and financial system. That is something that has been repeated here several times, indeed many times, at Council level. Where a number of Member States are concerned, moreover, it is a new message that must not be forgotten next week.

Secondly, I completely agree – and this is something that the President of the Commission and the President-in-Office of the Council said – that, in order to tackle a new phase of better regulation of the financial system at European level, Europe must, for the next few years, play a leadership role at global level where such regulation is concerned. I completely agree with those of you who have resolutely supported supervision that is institutionalised, and not just coordinated, at European level.

Thirdly, I entirely agree with those of you who have talked of the necessity of adapting the national reform programmes and the Lisbon strategies to the challenges of today's and tomorrow's real economy. Moreover, this is work that is in progress and that the Commission will present, to both you and the Council, in December. Furthermore, it is necessary, where this new dimension and this adaptation of the Lisbon Strategy are concerned, to take account of the industrial fabric and, in particular, of small and medium-sized enterprises, which are the main victims of the lack of credit brought about by the crisis in the banking system.

Finally, the budget. It is necessary, of course, to use the budget and the national budgets without creating sustainability problems for the future. Instead, the margins for manoeuvre in fiscal and budgetary policy should be used, and this within the framework of the Stability and Growth Pact revised in 2005. There is a lot of room for flexibility, but there is also the need – and you, with the Council, are the budgetary authority—to begin to conceive of the European budget. That too, moreover, is the subject for a real debate.

(Applause)

President. - The debate is closed.

In accordance with Rule 103, paragraph 2 of the Rules of Procedure, I have received six motions for resolution⁽¹⁾.

The vote will take place tomorrow, Wednesday 22 October 2008.

Written statements (Rule 142)

Roberta Alma Anastase (PPE-DE), in writing. – (RO) The decisions taken as part of the European Council meeting of 15 and 16 October 2008 are of strategic importance to Europe's future. First of all, I welcome the discussions on the ratification of the Treaty of Lisbon. The European Union (EU) needs to implement the institutional reforms stipulated in the Treaty in order to guarantee that the organisation functions in an efficient, coherent manner which is more transparent to Europe's citizens. It is therefore a main priority that the process for ratifying the Treaty of Lisbon continue and be completed as soon as possible in all 27 Member States.

Secondly, as rapporteur on regional cooperation in the Black Sea region and a member of the Committee on Foreign Affairs, I would like to emphasise the importance of the foreign policy aspects. I would like to reiterate the urgency of developing a common European policy on energy, with the aim of promoting energy security and European unity, as well as of diversifying the energy supply through strong support for strategic projects like the Nabucco pipeline.

Last but not least, I welcome the decision to strengthen the EU's relations with its eastern neighbours, in this case the Republic of Moldova, through signing a new far-reaching cooperation agreement. Furthermore, the EU needs to continue to be actively involved in Georgia, as well as in resolving all the conflicts in the Black Sea region.

Jean-Pierre Audy (PPE-DE), in writing. – (FR) I should firstly like to convey to the French Presidency of the European Union exercised by Mr Sarkozy, President of the French Republic, my congratulations on the energy, passion and vision with which he is assuming his mandate. Whether it is a question of war in the Caucasus, which has been prevented, or the action taken to resolve the financial and economic crisis, the Presidency has shown how much we need a strong and united European Union and a stable presidency to champion our values in a world that moves at a rapid pace and that has become much more complex. With regard to the financial crisis and the need for the economy to go on functioning properly, I am in favour of Member States using their financial strength to intervene in order to restore confidence. The Member States use what, in the private sphere, are resources not shown on the balance sheet; in other words, guarantees. It is in this context that I would float the idea of looking into setting up a global public instrument for assessing States. This would be located with the International Monetary Fund (IMF), and its governance would be

⁽¹⁾ See Minutes.

indisputable and independent. Such a global public agency for assessing States would be very useful in terms of ensuring that global finance and the world economy were operating properly and that, therefore, due social progress was also being made.

Katerina Batzeli (PSE), in writing. – (EL) The agreement expressed by the European Council on 15 and 16 October is a start, but it is not enough.

We need to rebalance European Monetary Union, in conjunction with development and social policies. We need a single Community policy and new institutional and economic governance to restore the basic balance of the economy in the eurozone.

The creation of a joint European fund basically needs to be re-examined as the consequence of direct measures taken to deal with the credit crunch and it needs to be made clear that taxpayers cannot be burdened in the long term. The philosophy of allowing the credit crunch to regulate itself applied so far at national level harbours dangers of the nationalization of economic and social policies and the emergence of a multiple-track European economy. This splintering of the institutional profile of the EU should be avoided.

Europe has a unique and historic opportunity and it must put forward its new economic and social development model, as it had started to do through policies on climate change, energy security, social stability and a sustainable economy. When the economic crisis has run its course, it should find the EU much stronger at political and institutional level, more social and leading the way on policy on climate change.

Titus Corlăţean (PSE), in writing. – (RO) I would like to welcome the conclusions of the European Council meeting of 15 and 16 October 2008 concerning the need to redefine the European Union's policy on its eastern neighbours, in particular with regard to the Republic of Moldova. The European Union actually needs to include the Black Sea region and, obviously, the Republic of Moldova on its list of political priorities.

We need to define a clear mandate for negotiating a new agreement on increased cooperation with this country, however with the very clear condition that there will be a need to record evident progress and for the Communist government in Chişinău to scrupulously adhere to democratic standards and the statutory norms of European law, as well as a need to respect the independence of the judicial system and the right of the press to free expression. Quelling the Communist authorities' antidemocratic abuses and excesses, amending legislation in order to annul the provisions preventing citizens with dual or multiple citizenship from having access to public office and standing, and modifying the electoral code in line with the standards of the European Union's Member States and the recommendations from the European Council are the preconditions for signing this agreement

Romania has been and will be the main proponent of the Republic of Moldova's future integration into Europe and I expect the Moldovan authorities to take specific action in this direction.

Daniel Dăianu (ALDE), in writing. – A new Bretton Woods has to be well prepared.

A rising chorus of leading politicians is in favour of organising a world conference to tackle the structural flaws of current world finance and revamp the international architecture in this field. It goes without saying that a coming together of old and new economic powers is badly needed for such a historical task. But a world conference (a new Bretton Woods!) has to be well prepared. Firstly, one needs to define the analytical underpinnings of the reconstruction of world finance. Keynes and Dexter White led their experts for a significant period of time, despite it being wartime, in order to produce a workable blueprint. We have to make sure that such a blueprint is available by the time decisions are made. The team led by Jacques de Larosiere could help a lot in this respect. Secondly, there is need for the major economic powers to see eye to eye on key issues. And here things are more complicated. I would very much hope the EU would take a leading role in coalescing efforts to revamp the international financial system and to overhaul the regulatory and supervisory frameworks so that finance can genuinely serve the economy.

Proinsias De Rossa (PSE), in writing. – Europe, including Ireland, needs the Lisbon Treaty if we are to develop coherent and effective policies to tackle the global crises of financial system meltdown, Climate Change, and, under-development of much of the world.

Economic nationalism cannot solve these global challenges. Neither will allowing the financial institutions or transnational corporations a free hand to do as they choose, while expecting the taxpayer to bail them out when crisis hits.

We need a system of global governance which includes transnational regulation of the financial markets. Indeed, including a capacity to tax such institutions in a way which prevents them from playing one country off another.

A system of taxation of currency exchange is necessary to stabilise those markets and could also provide a valuable resource to fill the funding gap in the implementation of the Millennium Development Goals (MDG).

Such a levy system is usually known as a 'Tobin Tax'. James Tobin first proposed it following the USA's destruction of the Bretton Woods system. It would have a three- fold effect; 1, help stabilise the currency markets; 2, provide substantial funds to help implement the MDG; 3, reclaim part of the democratic space conceded until now to the financial markets.

Elisa Ferreira (PSE), in writing. – (PT) The single European currency has formed a barrier which has protected the European Union from worse problems during this crisis. In this context, the euro has indisputably been a European success.

Faced with deregulation and crisis in the markets, a whole series of mutually contradictory national actions has been unleashed. An agreement has been rushed through which we ultimately welcome, but we cannot forget the Commission's excessive passivity when a modicum of prudent and forward-looking vision was needed.

In recent years – not months – this Parliament has debated and adopted well-grounded proposals for reform, particularly in the area of market regulation and supervision. It is based on this credibility that we demand that the Council Presidency and the Commission actively involve this House in the reform solutions, which must meet three objectives.

Firstly, in an integrated Europe, systemic risks cannot continue to be regulated at national level. Structural action must be taken with clear and stable rules guaranteeing that the system will be robust.

Secondly, in a globalised world, Europe must be an active partner in the creation of a new international framework involving the main partners.

Thirdly, at a time when economic recession is already a certainty, we must, in a coordinated manner, implement an economic recovery package which guarantees growth and employment and allows families and businesses to recover their confidence.

Ilda Figueiredo (GUE/NGL), in writing. – (PT) The essential element in this debate has once again been omitted: in other words, there must be a break with existing policies which are the main cause of the current crises. However, it was interesting yesterday to listen to the great defenders of neoliberalism now admitting that something must change, but only in terms of 'recasting capitalism', as indicated by President Sarkozy. This is why one of their priorities is the development of immigration policy, in particular through the return directive, which fails to respect fundamental human rights and which treats illegal immigrants as if they were criminals and not people escaping from hunger in their countries in search of a better future for themselves and their families.

Increasing disregard for social issues continues to be one of the main aspects of their policies. To tackle the financial crisis, they have mobilised incalculable resources and political will. However, with regard to the social situation and the crisis due to the fall in purchasing power, increased poverty, unemployment and precarious and poorly paid work, the resources and political will required are still lacking. In fact, what they are proposing will tend to worsen the social situation and the inequalities in the distribution of wealth.

Pedro Guerreiro (GUE/NGL), in writing. – (PT) The European Council has confirmed the measures previously adopted which are intended to rescue financial capital, the backbone of the capitalist system, and ensure 'continued structural reform'.

The 'recasting of capitalism' simply means more capitalism – with all its unhealthy contradictions – more exploitation of workers, more liberalisation and privatisation of public services and more work income transferred to capital, a policy which the Socialist Government in Portugal is faithfully implementing.

However, there has not been one word about:

- the growing difficulties faced by workers and the general population, increasing salaries and social security benefits, reducing the prices of essential goods and services, or effectively curbing rising mortgage costs;

- the promotion of productive investment, employment rights, public services and a strong public business sector – as in banking – through a fair distribution of the wealth created;

- the end of the EU's current monetary policy and its Stability Pact, the end of 'tax havens', and the reinforcement and use of structural funds to ensure effective economic development and improve the living conditions of workers.

In other words, there has been nothing about a break with capitalist policies ...

Gábor Harangozó (PSE), in writing. – Given the current exceptional market circumstances there is a need for concrete measures in order to ensure sufficient flexibility in the implementation of the Stability Pact. The unprecedented events have exposed the limits of the European financial integration system when confronted with a crisis of this magnitude. When the Stability Pact was reformed, no one could have expected such financial turmoil and the flexibility given to the Stability Pact in case of economic slowdown seems to be insufficient in the light of recent events. We ought to maintain budgetary discipline, but more flexibility should be established to allow for the new members to join the euro zone as soon as possible. Within the current rules, the financial crisis could indeed prevent new members joining the euro zone as scheduled. The economic rationality underlying the construction of the European exchange-rate mechanism should be readapted to the current financial circumstances so as to create the conditions for sustainable financial markets in countries acceding to the euro zone. Speeding up the process by allowing individual paths for adopting the euro in each accession country depending on its economic conditions could be a solution as the financial crisis has emphasized the need for acceding countries to be anchored in the euro zone.

Mieczysław Edmund Janowski (UEN), in writing. – (PL) The current crisis appears to be a financial collapse, but energy and food are also involved. It is the tip of the iceberg based partly on the collapse of fundamental moral principles and partly on human naïvety. This is evidenced by speculation and unsound investments.

There is no such thing as perpetual motion either in physics or in economics. What were the individuals whose chicanery led to the collapse of the world's finances guided by? We allowed ourselves to be deluded by people who built fortunes on deceit. Now the taxpayers are being expected to bail out the banking system. This is likely to cost more than the entire European Union budget. The financial shock was felt first in the United States, but its consequences have affected the entire world. Certain countries like Iceland found themselves on the brink of total disaster. There is bound to be a ripple effect causing further losses. Can anything positive emerge out of all this? Perhaps it can. Perhaps we will come to understand that it is not right to build on the sand of delusion, on the basis of false premises, and that a firm basis of reliability and solidarity is needed. It is not a case of ensuring that the expression 'safe as a bank' regains its former meaning. What is at issue is our future and that of our children. The market economy, or, to put it another way, capitalism, needs to operate on the basis of sound and enduring principles, and honesty is an important one of these.

Eija-Riitta Korhola (PPE-DE), in writing. – (FI) Madam President, first I would like to thank the President-in-Office of the Council for what I see as the proper line of reasoning: the interests of the environment should be given high priority in both good and bad times. Your answers to Mr Wurtz, Mr Cohn-Bendit and Mr Schultz were likewise pertinent.

I wish to express my concern in particular about the fate of emissions trading. When you consider what has been done in this House this autumn, Parliament's position cannot be regarded as the outcome of a democratic process. It smacks of undue haste, and the committees did not know what they were voting on. The amendments that have been tabled are a kind of bluff and we have been manipulated and misled. Our rapporteur and our group coordinator betrayed everyone by not going with decision the group voted on. Parliament has never seen anything like it before.

The Commission is one guilty party. It delivered a huge package of legislation too late and then warned against touching it in the name of international harmony with regard to the climate issue. The result is a poor model for emissions trading, which, if realised, will push up costs and threaten European jobs. Any auction applied unilaterally is just an extra tax burden. I cannot see any benefit to the environment if European products, the world's most cleanly manufactured, should acquire this burden in the name of the fight against climate change.

An auction simply takes pollution away from Europe, dumps it somewhere else, and brings us unemployment. It is neither a good nor a responsible environmental policy. We need a more effective climate policy.

Emissions have to be cut according to the commitments we have made. Our alternative also deserves to be properly considered in Parliament. Many of the Member States are in favour of it, as are the Confederation of European Industries and the entire European trade union movement. Another reading would eliminate the democratic deficit that has now been established in the House.

Marian-Jean Marinescu (PPE-DE), in writing. – (RO) The crisis which has occurred between Russia and Georgia, along with the financial crisis, have provided not only theoretical, but also practical, proof of the need to reform European institutions. European unity, expressed through a single voice, is the only response in situations of this kind. The implementation of the Treaty of Lisbon is a real necessity. From December, the Council needs to come up with a solution moving in this direction, no matter the possible consequences. Financial, energy and political security, as well as the consolidation of the European project's basic values, can only be guaranteed through a close partnership with our neighbours.

The 'Eastern Partnership' initiative adds a new political dimension to relations with our neighbours, supplementing and boosting the projects which are already ongoing in the Black Sea region through promoting an institutionalised framework which helps to update the agreements on more liberal visa controls, create a free trade area and establish strategic partnerships with our eastern neighbours.

There is a palpable sense of 'weariness' with regard to expanding the European Union, but we cannot allow ourselves to keep countries like Moldova and Ukraine outside the European Union for a long time. The 'Eastern Partnership' needs to include a clear signal, a roadmap for these countries, which opens up the possibility of joining the EU, providing, of course, they reach the required level in every area.

Esko Seppänen (GUE/NGL), in writing. – (FI) The EU summit discussed how the US economy's very own China Syndrome, that is to say the meltdown of the core of the financial economy on Wall Street, also poisoned the European markets with its radioactivity. As a result, the world is moving into a post-USA age. Its authority collapsed when its ship named 'Capitalism' ran aground on the ideology of the hyper-liberals.

Hopefully, the country's new poverty and its difficulty in obtaining loans will accelerate the demise of America's military action in the countries it occupies. Considering the sort of occupying power the United States is, Russia's exaggerated military operations in South Osetia certainly received a great deal of attention. We have to be satisfied with the outcome of the summit inasmuch as the extremist countries in the EU and the American fundamentalists did not receive support for their calls to isolate Russia.

Csaba Sándor Tabajdi (PSE), in writing. – (HU) We must not allow Europe to pay the price of the financial crisis and speculation that originated in the United States. Ordinary people must not suffer the consequences of the banks' short-sightedness and the speculators' greed.

The package adopted by the European Council will hopefully stem the tide of this financial tsunami. The paramount task of the European Union together with the governments of the Member States must be to do everything possible to alleviate the social and economic effects of the crisis, prevent a long recession and protect investments.

We need to build reserves in order to protect our citizens. To this end, countries in Europe are compelled to introduce emergency measures, reduce budgetary expenditures, temporarily suspend planned tax reductions and even raise taxes. This is what is happening from France to Great Britain, from Italy to Latvia. However, the only way to achieve this effectively is by national consensus; anyone who goes against it puts the nation's financial stability in jeopardy.

The fundamentals of market economy need to be reconsidered. The social control of market processes is indispensable, not in order to thwart competition but to place it under necessary regulatory oversight. The European Parliament supports the idea of a financial and capital market supervisory authority at European level, previously suggested by the Hungarian Prime Minister Ferenc Gyurcsány.

It is unacceptable that the culprits should get away without being held accountable. Freezing their multi-million dollar salaries is not a punishment. Punitive measures must not be eluded, including the confiscation of the property and freezing of the assets of those at fault for provoking an international financial crisis.

8. Voting time

President. - The next item is Voting Time.

(For results and other details of the vote: see Minutes)

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Jan Andersson, rapporteur. – (SV) Madam President, we are now running late. We have a lot of reports to debate, and the report that I am responsible for is last on the voting list. As it is possible that a lot of Members will leave the House, I would like us to postpone the vote on the Andersson report until tomorrow. I also wish to hear whether the other political groups support it.

(Applause)

President. - That seems reasonable to me.

Are there any objections?

That is the decision, then.

(The vote on the Andersson report (A6-0370/2008) is postponed until 22 October 2008)

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8.1. Addressing the challenge of the oil price increase (vote)

8.2. Agreement on Scientific and Technological Cooperation: EC and New Zealand (A6-0367/2008, Angelika Niebler) (vote)

8.3. Cooperation between the International Civil Aviation Organization and the European Community regarding security audits/inspections and related matters (A6-0374/2008, Paolo Costa) (vote)

8.4. Civil liability in respect of the use of motor vehicles (Codified version) (A6-0380/2008, Diana Wallis) (vote)

8.5. Simple pressure vessels (Codified version) (A6-0381/2008, Diana Wallis) (vote)

8.6. Supplementary protection certificate for medicinal products (Codified version) (A6-0385/2008, Diana Wallis) (vote)

8.7. Application of the Protocol on the excessive deficit procedure annexed to the EC Treaty (codified version) (A6-0386/2008, Diana Wallis) (vote)

8.8. Certain categories of agreements and concerted practices in the air transport sector (codified version) (A6-0379/2008, Diana Wallis) (vote)

8.9. System of the Communities' own resources (A6-0342/2008, Alain Lamassoure) (vote)

8.10. European Evidence Warrant for the purpose of obtaining objects, documents and data for use in proceedings in criminal matters (A6-0408/2008, Gérard Deprez) (vote)

8.11. Recovery of cod stocks (A6-0340/2008, Niels Busk) (vote)

8.12. Mobilising the Solidarity Fund of the European Union (A6-0399/2008, Reimer Böge) (vote)

8.13. Draft amending Budget No 7/2008 (A6-0412/2008, Kyösti Virrankoski) (vote)

8.14. Mobilisation of the European Globalisation Adjustment Fund (Lithuania and Spain) (A6-0405/2008, Reimer Böge) (vote)

8.15. Building a Global Climate Change Alliance between the European Union and poor developing countries most vulnerable to climate change (A6-0366/2008, Anders Wijkman) (vote)

8.16. Governance and partnership at a national, regional and project basis in the field of regional policy (A6-0356/2008, Jean Marie Beaupuy) (vote)

8.17. Better lawmaking 2006 pursuant to Article 9 of the Protocol on the application of the principles of subsidiarity and proportionality (A6-0355/2008, Manuel Medina Ortega) (vote)

8.18. 24th Annual Report from the Commission on monitoring the application of Community law (A6-0363/2008, Lidia Joanna Geringer de Oedenberg) (vote)

8.19. Strategy for the future settlement of the institutional aspects of Regulatory Agencies (A6-0354/2008, Georgios Papastamkos) (vote)

8.20. The indictment and bringing to trial of Joseph Kony at the International Criminal Court (B6-0536/2008) (vote)

8.21. Erasmus Mundus programme (2009-2013) (A6-0294/2008, Marielle De Sarnez) (vote)

8.22. Safety rules and standards for passenger ships (recast) (A6-0300/2008, József Szájer) (vote)

8.23. Genetically modified micro-organisms (recast version) (A6-0297/2008, József Szájer) (vote)

8.24. Statistical returns in respect of carriage of goods and passengers by sea (recast) (A6-0288/2008, József Szájer) (vote)

8.25. Community statistics on trade between Member States (A6-0348/2008, Eoin Ryan) (vote)

8.26. Applicable law in matrimonial matters (A6-0361/2008, Evelyne Gebhardt) (vote)

– Before the vote

Panayiotis Demetriou, *on behalf of the PPE-DE Group*. – Madam President, the oral amendment I want to propose is the following: ‘The spouses may agree to designate the law applicable to divorce and legal separation

provided that such law is in conformity with the fundamental rights defined in the Treaties and in the Charter of Fundamental Rights of the European Union and the principle of public policy.'

This oral amendment limits the right of the spouses to have the choice of law as provided for in Article 20. I believe that it satisfies the policy of the PPE-DE Group, which wanted to limit the choice of law so as to be in conformity, as we say here, with fundamental rights and also with public policy. So a judge, faced with this application by spouses to apply foreign law, will judge and say that they do not accept that because it is against public policy or fundamental rights.

Evelyn Gebhardt, rapporteur. – (DE) Madam President, I can accept this amendment because it is self-evident. Of course, the applicable law must conform with the principles of our treaties and the Charter of Fundamental Rights. I have no problem with this amendment.

President. - Is there any opposition to the inclusion of this oral amendment?

I do not see any.

(The oral amendment was accepted)

Carlo Casini (PPE-DE). – (IT) Madam President, obviously I do not disagree that human rights and the fundamental rights of the Union must be respected in the choice of law. That is not the issue. The issue is that if the spouses can choose the law – I would point out that the choice of law is an exception in all legal systems – whether this law must be the law of one of the 27 States of the Union or that of any country in the world.

I do not therefore oppose this amendment, but I feel that it cannot preclude the vote on the subsequent amendments of the Group of the European People's Party (Christian Democrats) and European Democrats, which establish that only the law of one of the 27 countries of the Union may be chosen.

Bruno Gollnisch (NI). – (FR) Madam President, it is obvious from this debate that there is still some way to go where this matter is concerned. These issues obviously ought to have been debated in committee. That is why, in compliance with our Rules of Procedure, I am pleased to ask you to refer this report back to the committee.

(The request for referral to committee was rejected)

- After the vote on Amendment 32

Evelyn Gebhardt, rapporteur. – (DE) Madam President, the agreement between the Group of the European People's Party (Christian Democrats) and European Democrats, the Socialist Group in the European Parliament, the Group of the Greens/ European Free Alliance and the Group of the Alliance of Liberals and Democrats for Europe was as follows: if we accept this oral amendment from the PPE-DE, all the other PPE-DE amendments will be withdrawn. I expect the PPE-DE to withdraw these amendments.

Panayiotis Demetriou, on behalf of the PPE-DE Group. – (EL) Madam President, it is true that the agreement included this term. Mr Casini was of a different opinion. I believe that the PPE-DE amendments are covered by the oral amendment which I made and which was approved and there is no need to vote on these amendments, which were tabled precisely in order to support the call for the right to be restricted.

President. - Amendments 32 to 37 inclusive have therefore lapsed.

We shall continue, therefore. The groups had something to say.

- Before the vote on the legislative resolution

Cristiana Muscardini (UEN). – (FR) Madam President, one sometimes has to put one's spectacles on to see if there is an MEP requesting, in terms of the Rules of Procedure, to speak with the Presidency.

As you know, another group may accept the amendments that one group has rejected. Regarding what Mr Casini said, we are not happy. We shall vote on the amendment adopted by the Union for Europe of the Nations Group.

President. - Madam Muscardini, I just said that the amendments had lapsed. Once they have lapsed, I cannot put them to the vote.

8.27. Management of fishing fleets registered in the outermost regions (A6-0388/2008, Pedro Guerreiro) (vote)

9. Explanations of vote

Oral explanations of vote

– Report by Anders Wijkman (A6-0366/2008)

Zuzana Roithová (PPE-DE). – (CS) I welcome the proposal to create a global alliance on climate change between the European Union, the least developed countries and the small, developing island states. Adapting to climate change can be said to require costs of USD 80 billion because the key of course would be to halt deforestation in the tropical rainforests. The EUR 60 million we have earmarked for this, which is less than 1 %, is nonetheless a significant amount for the most threatened countries, provided it is used effectively. The alliance offers a chance, provided it operates as a reference point and methodology centre for preventative risk management in respect of the natural disasters which climate change will bring to the poorest countries. The major weak point is the lack of coordination over the enormous number of activities. The alliance should not replace humanitarian assistance but help to minimise the extent of the expected catastrophes by providing support through innovative programmes, through strengthening administrative structures at national and local levels and also through educating the inhabitants of threatened island states.

Bogdan Pęk (UEN). – (PL) Madam President, I voted against, as I believe that the whole concept of drastic limitation of carbon dioxide emissions as proposed by the Commission, the European Parliament and the European Council is fundamentally wrong and does not have an appropriate legal basis. In addition, if this policy were to be implemented in Poland, my country would lose more than all it has hitherto received in the form of direct payments, indirect subsidies and grants, and there would still be more to pay. What this means is that the policy would be disastrous for the economies of many developing countries. It would not be a good example for the rest of the planet, which is supposed to implement this principle at global level on the basis of the results achieved in Europe. If, however, the policy were only implemented in Europe, it would be a totally unnecessary waste of EUR 500 billion.

– Report by Jean-Marie Beaupuy (A6-0356/2008)

Victor Boştinaru, on behalf of the PSE Group. – Madam President, the report refers to the future of cohesion policy. It was difficult to find pragmatic answers valid for all 27 Member States and their different governance and partnership systems. The rapporteur has managed to come up with very concrete proposals. On governance, I would like to underline two elements. We need to empower regional and local authorities with a better and more efficient sharing of responsibilities. It is also of the utmost importance to address the lack of expertise and administrative capacity to deal with funds and projects at regional and local level. On partnership, the report rightly insists on the centrality of inclusive processes and full ownership. We need to bring in the largest number of stakeholders possible at all policy and implementation stages, and in order to do this we need minimum compulsory standards.

I am extremely satisfied with the way in which the rapporteur has dealt with all our contributions and concerns and congratulate him once again for his excellent work.

Zita Pleštinská (PPE-DE). – (SK) Coming from a local government background, I consider the principle of partnership to be a key element in the cohesion policy of the EU, as does the rapporteur Jean Marie Beaupuy. I have therefore voted in favour of the report.

A successful partnership requires a certain investment at the start of the process, although later there will be savings in terms of time, money and effectiveness. The creation of an Erasmus programme for local elected representatives would contribute towards the exchange of tried and tested approaches in the area of the administration of public affairs within an EU framework.

I call on the responsible institutions, especially the Europe 12, one of which is my own country Slovakia, to apply the principle of partnership diligently in the 2007 – 2013 programme period and to make use of a historic opportunity to eradicate the inequalities between regions. Local politicians know their areas very well and are able to find the most effective solutions to the problems of their towns and villages, and I therefore call on the Member States to move towards decentralising the power to implement EU cohesion policy from a central to a regional level.

– **Report by Marielle De Sarnez (A6-0294/2008)**

Czesław Adam Siekierski (PPE-DE). – (PL) Along with the rest of higher education I warmly welcomed the second stage of the Erasmus Mundus programme. I am sure nobody needs convincing that the integration of clever young people from different parts of the world is the key to building and maintaining peace, not just on our continent but across the entire world. Students' horizons are broadened, and they learn to look at things from new viewpoints. All this happens as a result of direct contacts, classes in a foreign language, and becoming acquainted with different cultures. Students become more open and tolerant. It is for these reasons that I am strongly in favour of the new concept contained in the document on the Erasmus Mundus programme.

Philip Claeys (NI). – (NL) Mr President, I have voted against Mrs De Sarnez's report, because it is unacceptable to me that the programme should be extended without any fundamental changes being made to the discrimination against European students compared to their non-European counterparts who wish to make use of grants. A non-European student receives an annual grant of EUR 21 000, while European students who wish to study outside of the European Union via Erasmus Mundus can only count on EUR 3 100. Since a discrepancy of this magnitude cannot be explained or defended objectively, this discrimination cannot, and indeed must not, be sustained any longer.

– **Report by József Szajer (A6-0297/2008)**

Gyula Hegyi (PSE). – (HU) As a rapporteur, or in this case draftsman of the opinion of the Committee on the Environment, Public Health and Food Safety for the report on the contained use of genetically modified micro-organisms, I wish to emphasise again that the European Parliament must be given a greater role in supervising procedures. Citizens of Europe are afraid of the non-transparent use of GMOs, and oversight by Parliament means openness and transparency. Distrust can only be eased by full disclosure. In the case of genetically modified micro-organisms, too, the goal should be to render the involvement of the European Parliament compulsory in health and environmental safety matters. I am pleased that my proposals for amendments to this effect, backed unanimously by the Committee on the Environment, have now also been adopted by the European Parliament.

– **Report by Evelyne Gebhardt (A6-0361/2008)**

Carlo Casini (PPE-DE). – (IT) Madam President, I feel I must explain more clearly why I disagree and consider it unjust that the amendments tabled by the Group of the European People's Party (Christian Democrats) and European Democrats in the Gebhardt report should be declared defunct because of the vote taken on an entirely different matter.

It is one thing to say that one can choose the law of any country in the world, provided that it does not breach human rights; it is quite another to say that one can choose from among the laws of the Member States of the European Union. The two things are different, and therefore I believe it is unjust that the amendments on the latter issue should be withdrawn.

I do approve, however – and I hope that as the debate on this regulation proceeds my argument will be accepted – of the efforts to create a European legal area, with European harmonisation. It does not make sense to apply Chinese law or the law of some remote Pacific state, for example, in such a delicate matter as matrimonial relations, when the pressing need is instead to unite the 27 countries of the Union.

Zuzana Roithová (PPE-DE). – (CS) Divorce unfortunately belongs to the dark side of European civilisation and the number of so-called international divorces is rising. It is always the children who suffer most. International divorces also give rise to arguments over which country will host the proceedings that will decide on the future of the children. I have supported the measure, which provides clearer rules for international couples who are seeking to divorce, as it will be possible for both parties, on the basis of an agreement, to choose an appropriate court and thereby the law of a Member State with which they have some connection. This is important, especially in a situation where couples are living in a country of which neither of them may be citizens. The legal rules vary considerably between the Member States and so it is a further improvement that the European Parliament has built in to the measure a role for the Commission, to develop a public internet information system covering all of the various details. It should be mentioned that international divorces now affect one hundred and seventy thousand couples and their children every year.

David Sumberg (PPE-DE). - Madam President, thank you for calling me. I and the Conservative delegation to Parliament voted against this Gebhardt report. Before I came to Parliament I practised law in the United Kingdom, including, from time to time, divorce law. I think this would be a retrograde step to take. It is a matter for each nation state to determine the law which would be applicable to such matters.

There is no need whatsoever for the European Commission or any other European body to interfere. All our countries have different traditions, different views of divorce, different faiths, different religions, different backgrounds, and it is right and proper that each individual country should reflect that. We should not accept the imposition of any superior body telling us what to do.

Thank you for giving me this opportunity and for achieving a memorable moment in my political career when I can truthfully say that I have spoken, apart from to you, Madam President, to a completely and utterly empty Chamber.

Written explanations of vote

– Report by Angelika Niebler (A6-0367/2008)

Alessandro Battilocchio (PSE), in writing. – (IT) I have voted in favour of the report (A6-0367/2008) by Mrs Niebler on the proposal for a Council decision on the conclusion on behalf of the European Community of the Agreement on Scientific and Technological Cooperation between the European Community and the Government of New Zealand, which is the only non-European industrialised country with which the European Community has not yet drawn up an agreement on science and technology.

Currently, cooperation between the Community and New Zealand is based on an informal agreement on scientific and technological cooperation between the Commission and the Government of New Zealand, which was signed and entered into force on 17 May 1991. However, this agreement does not provide for institutional coordination of cooperation, nor does it contain specific rules on the treatment and protection of intellectual property rights. Thanks to my recent trip to New Zealand, I have had the opportunity of talking to some of the highest officials of that country, who confirmed their interest in strengthening this collaboration through the framework programme on food, agriculture and biotechnologies, information and communication technologies, health, the environment and the mobility of researchers.

These sectors correspond perfectly to those that the Commission considers to be of greatest interest and promise for the EU, for the purposes of future collaboration that will enable it to take full advantage of the potential for cooperation with this industrialised country.

Charlotte Cederschiöld, Christofer Fjellner, Gunnar Hökmark and Anna Ibrisagic (PPE-DE), in writing. – (SV) The Swedish Conservatives support the Commission's proposal to establish a special programme to help poor developing countries to prepare themselves for, and to adapt to, the consequences of climate change. We are also in favour of the main content of Parliament's report on the Commission's proposal and have therefore chosen to vote in favour of the report.

However, we are opposed to the request to increase the budget from the current EUR 60 million to EUR 2 billion in 2010 to fund the Global Climate Change Alliance. We are also against the proposal to earmark at least 25% of future revenues from auctioning within the Emissions Trading Scheme to fund this increase in the budget.

Duarte Freitas (PPE-DE), in writing. – (PT) Regulation (EC) No 639/2004 provides for a number of derogations from the entry/exit regime established under Article 13 of Regulation (EC) No 2371/2002 on the conservation and sustainable exploitation of fisheries resources under the common fisheries policy.

However, the belated adoption of the Commission legal instrument enabling the Member States concerned to allocate state aid as well as limited shipyard capacity have made it impossible to meet the deadline relating to the entry into the fleet of fishing vessels benefiting from state aid for renovation up to 31 December 2008, as specified in Regulation (EC) No 639/2004.

In its report, the European Parliament, specifically its Committee on Fisheries, defended the extension of deadlines for state aid for the renewal and registration of vessels, both in relation to the Regulation currently in force and in relation to the proposal presented by the European Commission, according to which the deadline should be extended only by one year, in other words until 31 December 2009.

The extension of state aid for renewing the fleets of the outermost regions until 31 December 2009 and the possibility of registering vessels until 31 December 2011 represent vital assistance taking into account the aforesaid constraints.

I therefore voted in favour of this report.

Zita Pleštinšká (PPE-DE), in writing. – (SK) During the period 19 – 27 July I visited New Zealand as a member of an 11-strong delegation from the European Parliament. This advanced and affluent country with a European spirit lies more than 27,000 km away from Slovakia. Our meetings with the students of the European Institute at the university in Auckland and at Canterbury University in Christchurch were very inspiring. We talked about the Seventh Framework Programme of the European Community in the area of research, technological development and demonstration activities and about the opportunities for cooperation between the EU and New Zealand in the areas of science and research. It is for this reason, within the framework of the consultation process, that I support the signing of the Science and Technology Cooperation Agreement between the European Community and the government of New Zealand, and I therefore voted in favour of the report of the rapporteur Angelika Niebler.

New Zealand is one of the least polluted countries in the world, a fact of which it is justly proud. New Zealanders are guided by the slogan 'Green, clean and safe'. Hydroelectric power accounts for 2/3 of the country's electricity output. Massive supplies of hot water are also used to produce electricity. There is no nuclear power at all.

I firmly believe that mutual cooperation in the fight against climate change, seeking common approaches in the areas of science, research and innovation, will prove beneficial to both sides.

Luca Romagnoli (NI), in writing. – (IT) Madam President, ladies and gentlemen, I have voted in favour of Mrs Niebler's report on the conclusion of the Agreement on Scientific and Technological Cooperation between the European Community and the Government of New Zealand. As we see from the proposal for a Council decision, New Zealand is the only non-European industrialised country with which the Community has not yet drawn up a formal agreement on science and technology. For this reason, and in view of the increasing complexity of technological innovation and the speed of scientific progress, I feel that it is more appropriate than ever for the Community to formalise the existing cooperation agreement so that collaboration can be strengthened, particularly in sectors that are more important than ever, such as health, biotechnologies and information and communication technologies.

I believe that this will enable the Community to take full advantage of the potential of cooperation with New Zealand on the basis of principles of effective protection of intellectual property and fair division of intellectual property rights.

– Report by Paolo Costa (A6-0374/2008)

Bogusław Liberadzki (PSE), in writing. – (PL) Mr President, I voted in favour of the report on the opinion concerning the proposal for a Council decision on the conclusion of a Memorandum of Cooperation between the International Civil Aviation Authority and the European Community regarding security audits/inspections and related matters (COM(2008)0335 – C6-0320/2008 – 2008/0111(CNS)).

Mr Costa, the rapporteur, has rightly emphasised that, pursuant to the aims of Community policy in the area of civil aviation, the memorandum of cooperation will strengthen relations between the Community and the ICAO. It is particularly important to bear in mind that implementation of the memorandum negotiated will facilitate better use of the always limited resources in the area of monitoring and of compliance with regulations. Implementation of the decision should bring considerable benefits to the Member States.

Luís Queiró (PPE-DE), in writing. – (PT) The draft Memorandum of Cooperation which is the subject of this report aims to significantly reduce individual audits by the International Civil Aviation Organization (ICAO) in Member States. To that end, ICAO will assess the European Commission aviation security inspection system.

Therefore, in accordance with the aims of the Community civil aviation policy, the Memorandum of Cooperation will strengthen the relationship between the Community and ICAO and allow for better use of the limited resources of Member States in the field of compliance monitoring.

Member States have to date been confronted with two compliance monitoring systems with the same objective and – broadly – the same scope. Once again, the major objective of this action will be the more rational use of available resources.

Finally, in order to ensure the appropriate handling of EU classified information, ICAO is bound to comply with Community rules and the Commission is authorised to verify *in situ* which protection measures have been put in place by ICAO.

I therefore voted in favour of the Costa report.

Luca Romagnoli (NI), *in writing*. – (IT) Madam President, ladies and gentlemen, I voted in favour of Mr Costa's report on the conclusion of a Memorandum of Cooperation between the International Civil Aviation Organisation and the European Community regarding security audits/inspections. In my opinion, being subject to two compliance monitoring systems with the same objective and, to a large extent, the same scope, amounts not only to an inefficient allocation of resources by the competent bodies but also, and more importantly, a burden for Member States in terms of cost and the use of the limited resources at their disposal. I therefore welcome the proposal for cooperation between the ICAO and the European Commission on this subject.

– Report by Diana Wallis (A6-0380/2008)

Jean-Pierre Audy (PPE-DE), *in writing*. – (FR) I voted in favour of the legislative resolution approving the proposal for a directive of the European Parliament and of the Council relating to insurance against civil liability in respect of the use of motor vehicles, and the enforcement of the obligation to insure against such liability, and this on the basis of the report by my British fellow Member, Mrs Wallis. This proposal arises from the wish to consolidate Community law, referred to – inappropriately, in my opinion – as codification. This is a commendable wish, but I am sorry that, in view of the development and the complexity of the texts, the Commission has not revised its position dating from the 1 April 1987 and consisting of instructing its services to go ahead and codify all legislative acts no later than after their tenth modification while, at the same time, emphasising that this is a minimum rule and that, in the interests of clarity and proper understanding of Community legislation, its services were to make efforts to codify the texts for which they were responsible at still shorter intervals. In this particular case, we are codifying a variety of directives dating from 1972, 1983, 1990, 2000 and 2005, together with texts amending these. I consider that the policy of consolidating Community law should be one of the European Commission's priorities.

Šarūnas Birutis (ALDE), *in writing*. – (LT) We must strive to make Community law simpler and clearer so that it becomes more comprehensible and accessible to all citizens, who would then acquire new opportunities and would be able to take advantage of particular rights which they have been granted.

This goal will be unattainable if many regulations partly and often fundamentally changed several times, remain scattered throughout various acts, so that some of them are found in the original act, and others in later amended acts. Therefore, in order to find the rules in force at a given moment one has to conduct significant research, comparing various legal acts.

For this reason, as we strive to make Community law clear and transparent, it is important to codify regulations, which have been amended many times.

– Report by Diana Wallis (A6-381/2008)

Jean-Pierre Audy (PPE-DE), *in writing*. – (FR) I voted in favour of the legislative resolution approving the proposal for a directive of the European Parliament and of the Council concerning simple pressure vessels, and this on the basis of the report by my British fellow Member, Mrs Wallis. This proposal arises from the wish to consolidate Community law, referred to – inappropriately, in my opinion – as codification. This is a commendable wish, but I am sorry that, in view of the development and the complexity of the texts, the Commission has not revised its position dating from the 1 April 1987 and consisting of instructing its services to go ahead and codify all legislative acts no later than after their tenth modification while, at the same time, emphasising that this is a minimum rule and that, in the interests of clarity and proper understanding of Community legislation, the services were to make efforts to codify the texts for which they were responsible at still shorter intervals. In this particular case, we are codifying a variety of directives dating from 1987, 1990 and 1993, together with texts amending them. I consider that the policy of consolidating Community law should be one of the European Commission's priorities and that the current situation is not in order, particularly in relation to the Member States and Europeans.

Šarūnas Birutis (ALDE), in writing. – (LT) Member States must employ all means necessary to ensure that pressure vessels are only placed on the market and provided for use if they are safe for humans, pets or property, and are appropriately installed, maintained and used according to their purpose. Manufacturers must ensure that vessels comply with the type shown in the EC type-examination certificate and the manufacturing process description, must label vessels with the CE marking and draw up a declaration of conformity. This Directive applies to simple pressure vessels manufactured in series and does not apply to vessels specifically designed for nuclear use, vessels intended for the propulsion of ships and aircraft and fire extinguishers.

This proposal aims to codify Council Directive 87/404/EEC of 25 June 1987 on the harmonization of the laws of the Member States relating to simple pressure vessels. The new directive will change various acts whose regulations were incorporated into it. This proposal does not alter the content of the codified legal acts; it only joins these acts together, following the necessary amendments for codification.

– Report by Diana Wallis (A6-385/2008)

Jean-Pierre Audy (PPE-DE), in writing. – (FR) I voted in favour of the legislative resolution approving the proposal for a directive of the European Parliament and of the Council concerning the supplementary protection certificate for medicinal products, and this on the basis of the report by my British fellow Member, Mrs Wallis. This proposal arises from the wish to consolidate Community law, referred to – inappropriately, in my opinion – as codification. I am sorry that, in view of the development and the complexity of the texts, the Commission has not revised its position dating from the 1 April 1987 and consisting of instructing its services to go ahead and codify all legislative acts no later than after their tenth modification while, at the same time, emphasising that this was a minimum rule and that, in the interests of clarity and proper understanding of Community legislation, the services were to make efforts to codify the texts for which they were responsible at still shorter intervals. In this particular case, we are consolidating the Council regulation of 1992 and the four texts that modified it in, respectively, 1994, 2003, 2005 and 2006. I consider that the policy of consolidating Community law should be one of the European Commission's priorities and that the current situation is not in order, particularly in relation to the Member States and Europeans.

– Report by Diana Wallis (A6-386/2008)

Jean-Pierre Audy (PPE-DE), in writing. – (FR) I voted in favour of the legislative resolution approving the proposal for a directive of the European Parliament and of the Council on the application of the Protocol on the excessive deficit procedure annexed to the Treaty establishing the European Community, on the basis of the report by my British fellow Member, Mrs Wallis. This proposal arises from the will to consolidate Community law, referred to – inappropriately, in my opinion – as codification. I am sorry that, in view of the development and the complexity of the texts, the Commission has not revised its position dating from 1 April 1987 and consisting of instructing its services to go ahead and codify all legislative acts no later than after their tenth modification while, at the same time, emphasising that this was a minimum rule and that the services were to make efforts to codify the texts for which they were responsible at still shorter intervals. In this particular case, we are consolidating the Council regulation of 1993 and the three texts that modified it in, respectively, 2000, 2002 and 2005. I consider that the policy of consolidating Community law should be one of the European Commission's priorities and that the current situation is not in order, particularly in relation to the Member States and Europeans.

– Report by Diana Wallis (A6-379/2008)

Jean-Pierre Audy (PPE-DE), in writing. – (FR) I voted in favour of the legislative resolution approving, following the consultation procedure, the proposal for a regulation of the Council concerning the application of Article 81 of the Treaty in the air transport sector, and this on the basis of the report by my British fellow Member, Mrs Wallis. This proposal arises from the wish to consolidate Community law, referred to – inappropriately, in my opinion – as codification. I am sorry that, in view of the development and the complexity of the texts, the Commission has not revised its position dating from the 1 April 1987 and consisting of instructing its services to go ahead and codify all legislative acts no later than after their tenth modification while, at the same time, emphasising that this was a minimum rule and that the services were to make efforts to codify the texts for which they were responsible at still shorter intervals. In this particular case, we are consolidating the Council regulation of 1987 and the five texts that modified it in, respectively, 1990, 1992, 1994, 2003 and 2004. I consider that the policy of consolidating Community law should be one of the European Commission's priorities and that the current situation is not in order, particularly in relation to the Member States and Europeans.

– Report by Alain Lamassoure (A6-0342/2008)

Jean-Pierre Audy (PPE-DE), *in writing*. – (FR) I voted in favour of the legislative resolution approving, subject to amendments, the proposal for a Council regulation amending the regulation of 2000 applying the decision relating to the system of the Communities' own resources, and this on the basis of the report by my excellent French colleague, former minister Mr Lamassoure. Like the vast majority of Members, I think it is good to remember that the Council has asked the Commission to carry out a full and thorough analysis of all aspects of the expenditure and resources of the European Union and to send it a report in 2008/2009. In accordance with the interinstitutional agreement of the 17 May 2006 relating to budgetary discipline and sound financial management, I support the fact that Parliament is duly involved with all the phases of the analysis. In this context, everyone should remember that the current financial perspectives for 2007/2013 have been approved within the framework of a political compromise designed to review the correction to the British contribution.

Bruno Gollnisch (NI), *in writing*. – (FR) Mr Lamassoure's report on the European Union's system of own resources is clearly designed to be ideological in nature. There is a refusal to get involved, and I quote, 'in the details of ... a[n] outdated, unjust and untransparent system', whose main fault, in the rapporteur's eyes, lies in the fact that it is not the European Parliament that decides on the matter.

That is just as well, moreover, as, judging from what has been said in this Assembly, it would not have been long before European taxpayers would have been subject to an additional tax deducted directly by Brussels. Free consent to taxation (by citizens or their representatives) is a fundamental principle of the constitutional state, just as the ability to levy tax is a prerogative of the State.

Therein lies the problem, furthermore. The European Union is not a State and cannot in any circumstances take it upon itself to levy tax. By ignoring the rejection by the French, Dutch and Irish of the European Constitution, it consistently demonstrates, moreover, that it cares little for the free consent of the individual nations. Unfortunately, it prefers lies, manipulation or even force.

Luca Romagnoli (NI), *in writing*. – (IT) Madam President, ladies and gentlemen, I have voted in favour of Mr Lamassoure's report on the proposal for a Council regulation on amendments to the system of the Communities' own resources. I agree with the grounds on which it is based and I share the view expressed by the rapporteur when he acknowledged that the Commission's latest decision, claiming to update the implementing regulation on own resources in line with the Council decision of 7 June 2007, would, in its current wording, further complicate the procedure, providing for continual exceptions and special conditions for certain Member States.

I would therefore argue that a general review of the operation of the system of own resources, which needs to take place, should take account of the active involvement of the European Parliament in proposing appropriate measures aimed at achieving greater transparency.

- Report by Gérard Deprez (A6-0408/2008)

Jean-Pierre Audy (PPE-DE), *in writing*. – (FR) On the basis of the report by my Belgian fellow Member, Mr Deprez, I voted in favour of the legislative resolution modifying the proposal for a Council framework decision on the European Evidence Warrant for the purpose of obtaining objects, documents and data for use in proceedings in criminal matters. Like a large number of my fellow Members, I welcome the proposal for a Council framework decision that provides for applying the principle of mutual recognition to a European Warrant for the purpose of obtaining objects, documents and data for use in proceedings in criminal matters. This European Warrant, hereafter referred to as the European Evidence Warrant, will facilitate faster and more efficient legal cooperation in criminal matters and will replace the current system of mutual legal aid in this area, and this in accordance with the conclusions of the European Council.

Pedro Guerreiro (GUE/NGL), *in writing*. – (PT) In addition to the fact that we have serious reservations about the analysis of certain aspects in the EP report, we disagree with the harmonisation of laws and the adoption of common procedures, particularly with regard to the European Evidence Warrant, an initiative which falls within the creation of a European criminal law enforcement area.

The European Commission has gained a reputation for presenting innumerable proposals on the supranationalisation of justice at EU level, thereby jeopardising core aspects of Member State sovereignty and their duty to protect their citizens' rights.

In the current consultation process, the EP defends the cross-border collection of evidence, in the same way as the European Arrest Warrant operates. A majority of the EP wants to delete the 'territoriality clause' agreed by the Council (which would allow a Member State to refuse a European Evidence Warrant under certain conditions), thereby attacking Member State sovereignty.

In essence, the EP, which is 'always more Catholic than the Pope', wants to implement a proposed Treaty which has already been rejected three times, particularly in the area of justice and home affairs, thereby creating this 'European criminal law enforcement area' and, as the rapporteur says, 'not [leaving] the door open to the exercising of national rights of veto'.

Luca Romagnoli (NI), *in writing*. – (IT) Madam President, ladies and gentlemen, I voted in favour of the report of the Chairman of the Committee on Civil Liberties, Justice and Home Affairs, Mr Deprez, on the Council framework decision on the European Evidence Warrant. I agree with the objective of the report and the position it takes.

Facilitating the collection of cross-border evidence is without doubt an important step towards realising the principle of mutual recognition of judicial decisions. This principle forms the basis of judicial cooperation, the ultimate aim of which is to provide faster, effective judicial assistance for all Member States. I would like to point out that in order to guarantee a coherent European legal area and to ensure that judicial cooperation on criminal matters produces the desired effects, the legislative framework should be implemented by all Member States and the instruments should simplify assistance among the various national judicial authorities, without forgetting, of course, the protection of personal data.

Bernard Wojciechowski (IND/DEM), *in writing*. – (PL) Ensuring the safety of citizens of the Member States and swift and efficient operation of the judicial system should be a priority for the Community. This is significant in the context of the dramatic development of organised crime, especially cross-border crime. Special attention should be paid to all legal instruments that can facilitate criminal proceedings and help to condemn perpetrators of crimes.

The European Evidence Warrant provides for automatic recognition of court decisions handed down in another Member State. This is quite problematic, as it entails far-reaching amendments to criminal proceedings in the Member States. Implementation of the European Evidence Warrant is fraught with difficulty, due to the variety of criminal procedures and the extensive differences between the law on warrants. In my view, instead of interfering in such sensitive areas as criminal procedure in a particular country, the Commission and the European Parliament should focus on achieving the best possible level of cooperation between the police forces of the Member States. This could be achieved through bodies such as Eurojust and the European Police College.

– Report by Niels Busk (A6-0340/2008)

Lena Ek (ALDE), *in writing*. – (SV) The fisheries policy pursued by the EU is not, and has never been, based on well thought-out, joint decisions. Fish stocks in Europe have declined dramatically in recent years, and very little is being done to change this situation. The fisheries policy that the EU should advocate must be permeated by long-term and far-sighted thinking.

However, Mr Busk's report does in many ways represent a positive change. The explanatory statement claims, among other things, that the recovery of cod is a matter of utmost importance and that the best method would be to completely prohibit cod fishing, even if this measure is subsequently rejected. Unfortunately, the amendments to the report do not reflect the concern that Mr Busk expressed in the explanatory statement.

The proposed amendments are far too feeble to have any real significance. It is very unfortunate that the way is being opened for a review of the already inadequate regulation of fishing effort once cod stocks 'have substantially improved'. It is reasonable to suggest that the focus should instead be on safeguarding recovery to a greater extent than is happening at present. Only then can we begin to talk about a possible review. The report therefore sends out completely the wrong signals, to the effect that the problem will soon be solved and we should then start to review the system. The opposite is in fact the case. I therefore voted against the report.

Glyn Ford (PSE), *in writing*. – I did not support the Busk report. We all know that it is important to see a recovery of cod stocks. It is clear that cod can be a collateral catch when fishing for other species. Yet the proposal here to reduce the overall fishing intensity in the area from Cornwall to the Severn estuary is drastic

and dramatic. As the MEP for the region in question, I am not yet – I could be with more evidence – convinced of the need to go so far, so fast.

Duarte Freitas (PPE-DE), in writing. – (PT) The aim of this report is to 'polish up' the European strategy for preserving cod stocks.

Since November 2000, when the International Council for the Exploration of the Sea (ICES) drew attention to the serious risk of collapse in cod stocks in the North Sea and off western Scotland, and at the Council meeting in December 2000, Fisheries Ministers and the Commission have expressed concern at the critical state of stocks.

Given the different situations in the various fisheries, this European Parliament report aims to ensure greater flexibility of action, taking into account the different fishery and stock conditions in the various areas in which the recovery plans for this species will apply.

Guaranteeing greater involvement of the relevant Regional Advisory Councils (RACs) and Member States in the effective management of cod stocks is one of the priorities of this report. Express reference to the RACs and Member States in the legislation will give a clear indication that the EU institutions are serious about involving these stakeholders in future development of fisheries management systems.

I voted in favour of this report.

Hélène Goudin and Nils Lundgren (IND/DEM), in writing. – (SV) The status of cod is extremely serious and requires immediate and forceful action. However, the Commission's proposals are inadequate and have shortcomings in many areas.

It is also interesting that Parliament has quite suddenly decided that the issue should be dealt with at national level. It is clearly the case that they are seeking to weaken the Commission's proposal to benefit the industry. They are quite simply trying to put a square peg in a round hole.

We have voted against the report for the reasons given above.

Bogusław Liberadzki (PSE), in writing. – (PL) I voted in favour of the report on the proposal for a Council regulation amending Regulation (EC) No 423/2004 as regards the recovery of cod stocks and amending Regulation (EEC) No 2847/93.

According to the Scientific, Technical and Economic Committee for Fisheries, cod stocks in the North Sea are in a critical state. Too many fish are being caught, and in particular, too many juvenile fish. This reduces the possibilities for the species to recover.

The rapporteur, Mr Busk, has emphasised the need for monitoring and control of compliance with the rules. He also inclines towards the Commission's view on the need to review catches, to simplify the management system and to reduce discards. We cannot ban fishing because of the social and economic consequences, but immediate action is needed to implement the cod stocks recovery plan.

James Nicholson (PPE-DE), in writing. – I welcome this effort to address the problems related to the 2004 Cod Recovery Plan which has clearly proven to be ineffective. Despite various measures, cod stocks have shown little sign of recovery.

The most important point made in this proposal relates to reducing discards. In the current climate of food shortages and extremely challenging times for fishermen, this can only be described as a totally illogical and wasteful practice.

The quota for Total Allowable Catches is so low and fishermen are forced to throw back large quantities of fish into the sea, despite the fact that this practice contributes nothing to the effort to replenish stocks.

Of course, we must continue to take measures which protect our cod stocks. However, we should also bear in mind the bigger picture. Climate change and the impact of global warming may have more to do depleted stocks than fishermen simply trying to make a living out of this industry.

- Report by Kyösti Virrankoski (A6-0412/2008)

Jean-Pierre Audy (PPE-DE), in writing. – (FR) On the basis of the report by my Finnish fellow member, Mr Virrankoski, I voted in favour of a resolution designed to approve, without amendment, the Draft amending

Budget No 7/2008 of the EU, relating to the use of the European Union's Solidarity Fund to the tune of EUR 12.8 million by way of commitment and payment appropriations. This sum is earmarked for helping the populations of the French overseas departments of Guadeloupe and Martinique, which suffered considerable damage following 'Hurricane Dean' in August 2007. This draft amending budget is entirely neutral from a budgetary point of view because it provides for a corresponding reduction in payment appropriations on line 1 3.04.02 relating to the Cohesion Fund. It is important to note that this draft budget is the first to be solely devoted to the EU's Solidarity Fund, as requested by the European Parliament.

– Report by Reimer Böge (A6-0399/2008)

Jean-Pierre Audy (PPE-DE), *in writing*. – (FR) On the basis of the report by my esteemed German colleague, Mr Böge, I voted in favour of the resolution approving without amendment the proposal for a decision of the European Parliament and of the Council on the mobilisation of the EU Solidarity Fund (EUSF) with a view to aiding France, whose overseas departments of Martinique and Guadeloupe were affected in 2007 by 'Hurricane Dean'. The sum of EUR 12.8 million by way of commitment and payment appropriations will thus be mobilised under the Solidarity Fund for France, and this via a 2008 amending budget adopted in parallel. This sum represents 2.5% of an amount of direct damage estimated at EUR 511.2 million.

Šarūnas Birutis (ALDE), *in writing*. – (LT) The Solidarity Fund and other specific measures do not amount to a large sum of money compared to the European Union's budget, they ultimately serve to aid disaster zones and people there following natural disasters. I support the decision to allocate aid from the Solidarity Fund to France for Martinique and Guadeloupe, which were hit by Hurricane Dean in August 2007. In cases like these we have to show solidarity.

Hélène Goudin and Nils Lundgren (IND/DEM), *in writing*. – (SV) France has submitted an application to mobilise the Fund as a consequence of 'Hurricane Dean', which affected Martinique and Guadeloupe in August 2007. The Commission has therefore proposed that a total of EUR 12 780 000 from the Fund be mobilised to support France.

The June List welcomes both national and international solidarity and relief actions when a country is affected by disasters.

However, it is our opinion, firstly, that previous experience has indicated that the EU is not able to manage emergency aid effectively with Community funds. Secondly, we are talking about a contribution of fractions of a percentage of France's GNP. It is unreasonable to think that the EU should intervene and jointly finance projects that a rich Member State should be able to cope with themselves.

We have therefore chosen to vote against the report as a whole.

Pedro Guerreiro (GUE/NGL), *in writing*. – (PT) The Commission proposes to mobilise the European Solidarity Fund in favour of France.

The Interinstitutional Agreement allows the mobilisation of this Fund within the annual ceiling of EUR 1 billion. During 2008 a global amount of EUR 260 411 197 has been mobilised in favour of the United Kingdom (EUR 162 387 985), Greece (EUR 89 769 009) and Slovenia (EUR 8 254 203).

France applied for assistance from the Fund following hurricane Dean which affected Martinique and Guadeloupe in August 2007. The Commission proposes to mobilise the EU Solidarity Fund for a total amount of EUR 12 780 000, to be allocated from appropriations not used in the Cohesion Fund.

However, as in previous cases, there is at least one obvious question that must be asked: how can it be that it is only now, more than one year after the disaster affected the populations, that EU funding is being made available? There can be no doubt that something is not right ...

It should be noted that we presented proposals aimed at speeding up the procedures for mobilising this Fund and ensuring that regional disasters were still eligible. These proposals also aimed to acknowledge the specific nature of natural disasters in the Mediterranean region, such as drought and fire, within this Fund.

Mary Lou McDonald (GUE/NGL), *in writing*. – Amendment 134

We would strongly oppose coercive abortion, forced sterilisation and infanticide, and concur that these are human rights abuses.

We have abstained on the amendment, as EU funds have never been used in this way and the amendment fails to clarify the importance of the international development work of credible organisations in supporting women in fertility management, and specifically reproductive education, reproductive healthcare services and family planning, and campaigning for women's right to healthcare.

Amendments 130, 131, 132, 133

While we are voting in favour of these amendments because of the importance of the issue, we feel it would be more appropriate to create a separate budget line on children's rights, which would include the issues dealt with in these amendments.

Andreas Mölzer (NI), *in writing*. – (DE) The effects of natural disasters are varied and generally devastating. Alongside the human suffering that they cause, it is above all the economic effects which set the development of these countries back by many years, as in the current case. Essential infrastructure is destroyed and can only be rebuilt with great difficulty using the countries' own funds.

The establishment of the Solidarity Fund that has been advocated should speed up reconstruction work of this kind by providing selective financial support, which will also require careful monitoring in each location. It is true that the affected regions need rapid assistance, but reliable monitoring of the investments in these projects is also important. In my opinion, more attention should be given to this area, which is why I am abstaining from the vote on this report.

Luca Romagnoli (NI), *in writing*. – (IT) Madam President, ladies and gentlemen, I have voted in favour of Mr Böge's report on the proposal for a decision of the European Parliament and of the Council on the mobilisation of the EU Solidarity Fund, requested by France, to provide for the emergency situation caused by Hurricane Dean in Martinique and Guadeloupe in August 2007. I agree with the rapporteur and share the opinion of the Committee on Regional Development that, in this case, the use of the fund is entirely in line with the provisions of the Interinstitutional Agreement of 17 May 2006.

Margie Sudre (PPE-DE), *in writing*. – (FR) Our Parliament has just approved aid of EUR 12.78 million, proposed by the European Commission in favour of Martinique and Guadeloupe and intended to cover a portion of last summer's emergency expenditure in the wake of 'Hurricane Dean'.

This financial aid will be welcome, especially since Martinique and Guadeloupe still continue to feel the effects of the damage caused by Hurricane Dean, in particular in the field of housing and the banana and sugar cane industries.

The Solidarity Fund, which is being used in this case in application of an exception to the general regulations, is particularly important for the outermost regions, given the multiplicity of regular threats to their populations at a time when the Caribbean Islands were again struck last week by Hurricane Omar.

Since this fund was created in 2002, I have been very committed to ensuring that overseas departments can benefit from this type of support. The experience acquired by the French Government in presenting its requests, together with the understanding shown by the Commission, the European Parliament and the Council reassure us concerning Europe's capacity to side with overseas populations confronted by major crises.

– Report by Reimer Böge (A6-0405/2008)

Jean-Pierre Audy (PPE-DE), *in writing*. – (FR) On the basis of the report by Mr Böge, I voted in favour of the resolution approving the proposal for a decision of the European Parliament and of the Council on the mobilisation, within the framework of the European Union's general budget for 2008, of the sum of EUR 10.8 million by way of commitment and payment appropriations under the European Globalisation Adjustment Fund with a view to aiding the automobile sector in Spain and the textiles sector in Lithuania. In the case of Spain (to which it is proposed to appropriate EUR 10.5 million), the request relates to 1 589 redundancies, 1 521 of which took place in Delphi Automotive Systems España, in Puerto Real, a province of Cádiz, Andalusia. This is a motor parts manufacturer belonging to the company Delphi Automotive Systems Holding Inc., whose head office is in Troy, Michigan in the United States. In the case of Lithuania (to which it is proposed to appropriate EUR 0.3 million), the request concerns 1 089 job losses caused by Alytaus Tekstilė, a textile company, going into liquidation over a reference period of four months.

Pedro Guerreiro (GUE/NGL), *in writing*. – (PT) Spain has submitted an application in respect of 1 589 redundancies, 1 521 of which have occurred at Delphi Automotive Systems España and 68 among its

suppliers. It has requested a contribution of EUR 10 471 778 to cover part of the cost of assistance measures which amount to nearly EUR 20.94 million.

Lithuania has submitted an application in respect of 1 089 redundancies due to the closure of Alytaus Tekstile, a textile manufacturer. It has requested EUR 298 994 out of a total cost of nearly EUR 0.06 million.

As we have said before, this Fund cannot be used as a temporary 'cushion' for unacceptable socioeconomic costs resulting from the relocation of undertakings and their redundancies or for the failure to alter policies which are the cause of worker exploitation, insecurity and unemployment. It is essential to prevent and penalise business relocations and put an end to the policy of liberalising world trade, as instigated by the EU.

State aid must be granted subject to long-term commitments on employment and regional development. Aid must not be granted where it may be used to encourage relocations.

We must reinforce the role of workers' representatives on company boards and in the taking of structural management decisions.

Luca Romagnoli (NI), *in writing*. – (IT) Madam President, ladies and gentlemen, I have voted in favour of Mr Böge's report on the mobilisation of the European Globalisation Adjustment Fund in response to requests made by Spain and Lithuania in February and May 2008. I believe that it is appropriate for the Fund to be mobilised, since those countries have incurred vast expense in the form of assistance for workers. Given that the Fund exists precisely in order to provide additional support for workers who find themselves threatened by the new competitive conditions and by commercial practices in today's world of business, I think that in this case the request for mobilisation of the fund can be approved without question.

Silvia-Adriana Țicău (PSE), *in writing*. – (RO) I voted for the draft resolution which prevents the introduction of passenger screening as a means of tightening civil aviation security. Passenger security is vitally important, but the measures being taken should not result in the violation of citizens' fundamental rights. The introduction of body scanning, in the form it has been currently proposed, does not guarantee respect for the right to privacy.

I believe that studies need to be carried out in order to determine the effect of introducing this measure on human health, as well as an impact assessment in order to determine the convenience of these measures. I also think that the procedures which should be adopted for handling the scanned images are extremely important. In view of this, the European Data Protection Supervisor should formulate and issue a point of view so that any measures targeted at passenger security are implemented in compliance with the regulations governing personal data.

We await with interest additional data from the European Commission relating to the measures we have in mind for improving civil aviation security. I was in favour of adopting this resolution today because the fundamental rights of the European Union's citizens need to be protected.

Bernard Wojciechowski (IND/DEM), *in writing*. – (PL) Globalisation has positive implications for economic growth and employment. It can also have negative consequences for the most sensitive and least qualified workers in certain sectors. These negative consequences can affect all Member States, regardless of whether they are large or small, long-standing Members or new entrants.

The European Union's structural funds support planned changes and their management in the framework of such actions as lifelong learning on a long-term basis. In contrast, the European Globalisation Adjustment Fund provides one-off personalised support for a limited time. Its aim is to support workers who have been made redundant as a result of market changes. The European Union should pay particular attention to this Fund.

– Report by Anders Wijkman (A6-0366/2008)

Jean-Pierre Audy (PPE-DE), *in writing*. – (FR) I voted in favour of the resolution following the Commission communication on building a Global Climate Change Alliance between the European Union and poor developing countries most vulnerable to climate change, and this on the basis of the own-initiative report by my Swedish colleague, Mr Wijkman. It is now established that the least developed countries (LDCs) and the small island developing states (SIDSs) will be hit soonest and hardest by the impact of climate change. These countries have the fewest resources for preparing themselves for these upheavals and for changing their way of life. Climate change is therefore in danger of further delaying achievement of the millennium development objectives (MDOs) in a large number of these countries, and I welcome the Global Climate

Change Alliance (GCCA) that the European Commission proposes should be set up between the EU and poor developing countries most vulnerable to climate change, in particular the LDCs and the SIDSs and ACP (African, Caribbean and Pacific) countries. In common with the vast majority of my fellow Members, I consider the budget of EUR 60 million appropriated to this initiative to be not nearly sufficient.

Alessandro Battilocchio (PSE), in writing. – (IT) I have voted in favour of Mr Wijkman's report on building a Global Climate Change Alliance between the European Union, the Least Developed Countries (LDCs) and Small Island Developing States (SIDS); I believe that we cannot postpone taking tougher action outside of the EU in respect of the joint challenges of climate change and the reduction of poverty. Such action would represent a step towards implementing the EU Action Plan on Climate Change and Development (2004), based on our better understanding of the fact that climate change must transform the way we approach development assistance.

As a member of the Committee on Development I am particularly sensitive to this decision, which has the potential to be combined with the international negotiations on climate change in Poznań in 2008 and Copenhagen in 2009. We must overcome the mistrust between industrialised and developing countries, which has posed one of the major barriers to a climate change agreement for the period following 2012.

Šarūnas Birutis (ALDE), in writing. – (LT) Developing countries have contributed least to climate change, but stand to suffer the most from its consequences and will be least able to deal with them. The industrialised nations are historically responsible for climate change and have a moral duty to contribute to the efforts of the developing countries to adapt to the consequences of climate change.

The review of the 2007 EU Action Plan on climate change and development shows that not enough is being done to integrate climate change into EU Development Policy and work is particularly slow. I support the Commission's initiative to establish the Global Climate Change Alliance. However, the EUR 60 million allocated to the Global Climate Change Alliance is wholly insufficient and therefore it is important for the Commission to set out long-term funding and allocate at least EUR 2 billion until 2010, and EUR 5 billion until 2020. At present, developing countries desperately lack the funds to adapt to climate change. By helping the developing countries, we will also help ourselves.

Marie-Arlette Carlotti (PSE), in writing. – (FR) Yes, we have an obligation to help developing countries and, in particular, the least developed countries (LDCs) and the small island developing states (SIDSs) to limit the impact of global warming, as these countries will be the first victims of global warming, without being responsible for it.

At present, Africa is the 'forgotten continent' of climate negotiation.

This ambition must, however, be reflected in a financial commitment commensurate with what is at stake.

Therein lies the problem.

The budget of EUR 60 million provided for by the European Commission is not enough.

The long-term funding objective should be one of at least EUR 2 billion between now and 2010 and of EUR 5 billion to EUR 10 billion between now and 2020.

To fund this increase, the Commission and the Member States must use at least 25% of the revenue from the Community's emissions trading scheme.

We are also requesting measures relating to financial aid, technical assistance and technology transfer in order to facilitate the use of low greenhouse gas emissions technologies.

Finally, new methods of funding need to be unblocked.

If, once again, it is development credits and the European Development Fund that are mobilised, the alliance concerned will be no more than a sham.

Konstantinos Droutsas (GUE/NGL), in writing. – (EL) The EU is exaggerating the current dangers from climate change caused by the irresponsible exploitation of natural resources by big business, not in order to push forward substantial measures to deal with it, but to frighten people, to improve its position in the competition with other imperialists and to find a solution in terms of the over-accumulation of capital by securing even bigger profits for the monopolies.

The EP report on building a climate change alliance between the EU and developing countries is open interventionism in the internal affairs of these countries with regard to the organisation of their economy, society and administrative mechanisms, and offers scant financial reward to the plutocracy of these countries or threatens military intervention under its preventive policy to address security threats and climate-related conflicts, thereby endorsing the Solana report on these topics.

It proposes a more active role for businesses through public-private partnerships, especially in sectors such as water, public health and energy supply, and the introduction of green taxes and it welcomes the emissions trading scheme which benefits businesses and is paid for by workers and the environment and the adaptation of developing countries to capitalist restructuring of trade, agriculture and security.

The people will reject the imperialist plans of the EU and demand a better and healthy environment.

Hélène Goudin and Nils Lundgren (IND/DEM), in writing. – (SV) The report deals with the Commission's proposal to build a Global Climate Change Alliance. Unfortunately, the basic intentions of the report have been peppered with statements that the June List is unable to support, including the call to link the European Union's environmental commitment with a Common Foreign and Security Policy and detailed proposals of how the EU should initiate environmental investments in third countries.

Based on some of the statements contained in the report, the Global Climate Change Alliance could also be viewed as an attempt by the EU to extend its powers in connection with forestry and marine issues. This method of using issues to build the EU State is something we are most strongly opposed to.

The June List is very much in favour of EU cooperation encompassing cross-border environmental problems. However, fighting poverty and initiating efforts to tackle environmental problems at a global level should be carried out within the framework of the UN. After careful consideration, the June List has therefore chosen to vote against the report.

Pedro Guerreiro (GUE/NGL), in writing. – (PT) Climate change on the planet is due not only to its natural development, but also to a policy followed by the industrialised countries of intensifying the exploitation of natural resources. This has increased climate change to a level which is now causing humanity serious problems.

Responsible action to tackle the consequences of the serious squandering of natural resources demands a break with the capitalist policies at its root.

However, the approach favoured, with the EU at the helm, is one of joint responsibility of all countries. This involves trying to impose limits on 'developing' countries with regard to their sovereign use of their own natural resources, obviously in line with the ambitions held by major transnationals to exploit these resources.

In addition to other aspects, the text adopted by the EP not only contains contradictions but also completely ignores these central issues. Instead it advocates a 'preventive security policy or in response to climate-related security threats or conflicts', using 'climate change' to secure and militarise international relations.

The report, based on the consumer-pays principle, also advocates creating 'green' taxes (as opposed to a tax system based on income), which open the door to the privatisation of public services and the private exploitation of such fundamental resources as water.

Luís Queiró (PPE-DE), in writing. – (PT) Climate change is a fact which becomes interesting to discuss when it comes to finding answers. In this we must be guided by a refusal of dogma and thoughtlessness.

As opposed to a fatalistic approach which identifies world population growth, increased consumption and, inevitably, improved living conditions for millions of human beings with a potential environmental disaster, we should use our modern scientific ability and the enormous progress from which we are all benefiting to find appropriate answers which avoid the risk of causing unwanted side effects (as so often happens with decisions that are rushed through due to the desire to act quickly but without a proper understanding of the situation to which these must respond).

However, whatever approach is taken – or approaches, given that there must be multiple answers – we must acknowledge that some countries are less able to react. These countries are at stages of development which mean that they do not have the necessary resources and which put them in an extremely vulnerable situation. Thinking about these countries and their populations, with a view to mitigating the negative impact of climate change and helping them to adapt, must be a core element of our policy.

Luca Romagnoli (NI), *in writing*. – (IT) Madam President, ladies and gentlemen, I voted in favour of Mr Wijkman's report on building a Global Climate Change Alliance. The subject of climate change has been on the agenda for many years: much has been done, but it is not yet enough. The aim is to step up action on climate change outside of the EU. We therefore need to promote political dialogue between the EU and developing countries in order to encourage the incorporation of factors connected with climate change into plans for reducing poverty at local and national level.

I support this initiative; before it gains ground, of course, it will have various challenges to face, such as the lack of coordination at world level, the scarcity of funding, and so on. I also agree with the rapporteur's remarks on investing in the development of innovative public-private partnership (PPP) models, in which Europe has great faith. They represent the future for the EU at national, regional and local level.

Bart Staes (Verts/ALE), *in writing*. – (NL) It has been obvious for a while that global warming is hitting the least developed countries (LDCs) the hardest, while it is precisely these countries that have contributed the least to it. Their vulnerability will drag them further into the abyss of poverty, and I welcome the fact that Mr Wijkman underlines this emphatically.

The idea is to set up an alliance to face up to climate change, but the Commission is not putting enough funds aside for this. The cost of climate change could well be as high as EUR 80 billion. The budget which the Commission has allowed for this, though, is EUR 60 million, which is just not enough for the LDCs to prepare for climate change. It is now up to the Alliance to find, or free up, more funds. This means that the individual Member States of the Union must face up to their responsibility. They must set aside larger sums than they are doing at the moment.

The European Parliament also proposes using at least 25% of the EU's revenue from the emission trade system for the Alliance.

It looks as if the Union, in the light of climate change, is starting to think differently about development cooperation, which is to be welcomed. This is why I will be supporting the report.

Silvia-Adriana Țicău (PSE), *in writing*. – (RO) I voted for the report 'Building a Global Climate Change Alliance between the European Union and poor developing countries' as these countries are the most vulnerable to climate change.

The 2007 review of the EU Action Plan on Climate Change and Development mentioned above shows that the progress on mainstreaming climate change into the European Union's development policies has been insufficient and far too slow.

Even though the EU has set itself the target of becoming a leader in the fight against climate change, the EU budget does not reflect the priority given to these policies. The Clean Development Mechanism (CDM) has so far been poorly suited to meeting the needs of the poorest countries in terms of investments in clean technology.

The report calls on the EU to place climate change at the core of its development cooperation policy and invites the Commission to provide detailed information on existing financial mechanisms for climate change and development at national and international levels. The Commission should urgently propose the measures required to scale up EU financial support for climate change and development, ensuring the best possible coordination and complementarity with existing initiatives.

Bernard Wojciechowski (IND/DEM), *in writing*. – (PL) The protection of the natural environment should undoubtedly be a priority for each Member State and for the Community as a whole. As regards the initiative to establish a Global Climate Change Alliance, however, the best that can be said about is that it is pointless. Spending taxpayers' money on yet another expensive political body will most certainly not help to improve the state of the natural environment. It will merely provide additional lucrative posts to be filled by Brussels bureaucrats. Developing countries produce far less pollution, and their carbon dioxide emissions are insignificant in comparison to those of the economic giants.

I should like to point out that for many years now the United States of America has been near the top of the list of countries producing toxic substances. It has still not ratified the Kyoto Protocol. I am convinced that establishing an alliance involving the EU and developing countries will not contribute in the least to reducing the level of pollution. On the other hand, action such as conversations with the political leaders of the aforementioned countries, for example, could be crucial. That is because they are the ones doing most to degrade the natural environment.

– Report by Jean Marie Beaupuy (A6-0356/2008)

Jean-Pierre Audy (PPE-DE), *in writing*. – (FR) I voted in favour of the resolution on governance and partnership at national and regional levels and a basis for projects in the sphere of regional policy, put forward on the basis of the own-initiative report by my French fellow Member, Jean Marie Beaupuy. I fully agree with the idea that, out of a concern for simplification and efficiency, the feasibility be investigated of merging the various Community funds in the future cohesion policy for the period subsequent to 2013.

Petru Filip (PPE-DE), *in writing*. – (RO) I would like to welcome the initiative on compiling a report on the subject of good local and regional governance, as well as the importance of the notion of partnership between the four or more levels of power: local, regional, national and European. Any encounter with representatives of the local authorities elected directly by the people highlights, on most occasions, differences in the way European policies are handled between these levels of authority.

Without establishing a policy of real partnership between all these bodies of authority, uninfluenced by political partisanship which has no connection with subsidiarity, the efforts made by both the European Parliament and the other European institutions will not achieve the desired concrete results and effectiveness. We are sufficiently familiar with the conflicts and poorly understood rivalry between the representatives of the different political parties in power at different levels of administration, which results, on most occasions, in European citizens being deprived of the benefits of the European projects being decided on in this EP forum. This is why I voted in favour of the report, in the expectation that regional policies will be given the importance they deserve.

Bruno Gollnisch (NI), *in writing*. – (FR) Mr Beaupuy's report is particularly instructive. It speaks about the governance of structural policy, and we learn that, over and above a rebalancing of the levels of development of all regions in the European Union, the true aim of the regional policy conducted by Brussels is to radically change the territorial organisation of the Member States and thus their administrative and political structures.

In fact, this is not really a surprise. Everything is being done in Europe today to bypass or destroy nation States: from the top, by granting its competencies to the European super-state; and from the bottom, by promoting, contrary to the traditions of some Member States and against the natural boundaries or boundaries of identity of provinces – at the cost of billions of euros – the 'region' as the privileged level of infra-national organisation or the constitution of transborder infra-national spaces. The 'integrated approach' to European legislation praised by the reporter, which consists of taking this level into account in all European policies with a territorial, economic and social impact, contributes to this development.

Over and above electoral manipulations, it is certainly within this frame of analysis that the administrative reform proposed by Mr Sarkozy must be analysed.

Hélène Goudin and Nils Lundgren (IND/DEM), *in writing*. – (SV) The report advocates increased cooperation between national administrations. However, it is important to remember that it is as a result of institutional competition that the best forms of governance are tested and distinguished from those forms that are less suitable. Europe's diversity of forms of administration and the exchange of experience between these administrations is probably a good example.

The report is full of well-meaning statements, but essentially lacks concrete proposals for how the administration of the structural policies is to be improved with a view to rectifying the huge shortcomings that exist with regard to the control of the economic aspects of the structural policies. It is worth remembering that the EU's structural policies represent the European Union's largest single item of expenditure for the period from 2007 to 2013 and that the European Court of Auditors in its report for the 2006 financial year states that at least 12% of the money paid out for structural policies should not have been paid out.

The report also contains references to the Treaty of Lisbon. This treaty has, however, been rejected in the democratic processes. To invoke the Treaty of Lisbon is therefore an expression of unacceptable arrogance. The future of the treaty is, at the time of writing, so uncertain that invoking its contents should be avoided. For the reasons given above, the June List has chosen to vote against the report in its entirety.

Pedro Guerreiro (GUE/NGL), *in writing*. – (PT) Obviously there is no question about our support for the essential participation of local and regional authorities or other public authorities, social and economic organisations and the general public in the definition of objectives and programmes and in the implementation and control of the use of Community structural funds within each Member State, given that we have always argued for this.

However, we cannot allow other objectives to be pursued under cover of this legitimate aspiration, such as, for example, the merger within the 'future cohesion policy for the period after 2013' of the various Community funds (European Regional Development Fund, European Social Fund, Cohesion Fund and European Agricultural Fund for Rural Development). This proposal could jeopardise what should be the central objective of the Community budget, in other words its function to redistribute wealth among the 'cohesion' countries and the 'wealthy' countries, particularly since it would eliminate funds which are only intended for the former (in addition to jeopardising Community funding of 'common policies' such as agriculture and fisheries).

We cannot agree, either, with the proposal's encouragement of 'public-private partnerships', which are an instrument used to privatise public services that are essential and strategic for the people and the socioeconomic development of each Member State.

Ramona Nicole Mănescu (ALDE), in writing. – (RO) Mr Beaupuy's report identifies good governance at the level of two complementary systems: the institutional system, which provides for the allocation of powers and budgets between the State and regional and local authorities; and the partnership system, which brings together the various public and private bodies concerned by the same issue in a given territory.

Partnership can bring added value to the implementation of cohesion policy through enhanced legitimacy, sustained coordination, guaranteed transparency and better absorption of funds. The involvement of partners may help to develop an institutional facility at sector and territorial level. We must not ignore the fact that partners have the necessary abilities and resources which may boost the programme's effectiveness by making the process for selecting projects more efficient.

In order to legitimise the decision-making process and counterbalance any political influence as part of the public consultations during the preparatory phase of the operational programmes, it is extremely important for local and regional authorities as well as civil society to be involved. This facilitates the use of extensive expertise and helps to improve the programme's development, monitoring and evaluation.

We must realise that the new Member States are not prepared yet for the partnership principle and, therefore, this could be reinforced gradually as a result of supranational and subnational pressure.

Based on the arguments already expressed through the amendments which we have tabled and which have been accepted and incorporated by Mr Beaupuy in the final text, I have expressed my support for this report.

Luca Romagnoli (NI), in writing. – (IT) Madam President, ladies and gentlemen, I voted in favour of Mr Beaupuy's report on governance and partnership at national and regional levels and a basis for projects in the sphere of regional policy. It is clear that the success of any regional development does not depend only on the results that are achieved, but also on the way in which these results are obtained, that is to say, the governance. We therefore need to develop mechanisms that improve systems of governance without being hindered by different policies.

I share the rapporteur's enthusiasm for the partnership principle: new methods of governance should not replace public institutions, rather they should go hand in hand. I also approve of the plan to reorganise the way governance relates to Community funds, the different territorial dimensions and, of course, the European Union. Project management skills borrowed from the world of business can be excellent tools for realising new forms of governance to drive forward the particular development of the European system.

– Report: Manuel Medina Ortega (A6-0355/2008)

Ole Christensen, Dan Jørgensen, Poul Nyrup Rasmussen, Christel Schaldemose and Britta Thomsen (PSE), in writing. – (DA) The Danish Members of the Socialist Group in the European Parliament have voted in favour of the own-initiative report on better regulation, but wish to emphasise that removal of administrative burdens can be a very political process. We support the objective of removing the unnecessary administrative burdens. Certain administrative burdens may, however, be socially very necessary, even if they may be felt to impede companies' growth and innovation. We think that a balanced approach to reducing administrative burdens is necessary.

Luís Queiró (PPE-DE), in writing. – (PT) If we have to discuss the need for 'better lawmaking' before debating the content of European legislation, then we should be considering how much of this legislation is actually needed. It is true that the creation of a common market and the establishment of uniformity between countries with different histories and traditions, which can frequently be seen in the details of their legislation, creates a need for harmony which requires perhaps more proactive lawmaking.

However, saying this is not the same as acknowledging that, above all, we must legislate and that this must be done at European level. Although I am convinced that the EU is frequently the correct arena in which to act, it should also be noted that the principle of subsidiarity is fundamental and is often pushed aside in the name of false efficiency and an unnecessary result.

If we want the EU to be capable of responding to the needs for which a European decision-making level is justified, we should consistently and wisely avoid flooding Europe with legislative projects and powers that can be effectively established at national level. This concern, which frequently appears in the Treaties, is unfortunately less apparent in Brussels, with inevitable consequences not least in terms of bureaucratic temptation.

Luca Romagnoli (NI), *in writing*. – (IT) Madam President, ladies and gentlemen, I voted in favour of Mr Medina Ortega's report on the protocol on the application of the principles of subsidiarity and proportionality. The European Union should aim towards standards of clarity and efficacy within the regulatory framework. Since improving legislative procedures can help us to achieve these goals, and given that the principles of subsidiarity and proportionality are two of the cornerstones on which the Community is built, especially where it does not have exclusive legislative competence in a particular area, I commend the Committee on Legal Affairs for its tireless work in ensuring that Community legislation is based on quality, through simplifying the *acquis communautaire*, and not on quantity.

Furthermore, I too have my doubts about self-regulation and co-regulation procedures; the current financial crisis on the markets can in part be attributed to them. Regulation remains the simplest way to pursue the objectives of the Union and to bring legal certainty to businesses and to citizens.

– **Report: Lidia Joanna Geringer de Oedenberg (A6-0363/2008)**

Carl Lang and Fernand Le Rachinel (NI), *in writing*. – (FR) The Commission has just published its 24th annual report on its control of application of Community law by the Member States. The quite legitimate question that can be asked is: are there any differences or progress in relation to the previous report? It would seem not. As always, the poor students of Europe are the Member States. What solution is proposed by the rapporteur? More firmness with regard to the Member States, more submissions to the Court of Justice if necessary and more firmness in executing the decisions pronounced by the Court. In a word: more powers of coercion and repression for European institutions in relation to the Member States.

The Community legal order, already set up with treaties that take precedence over national rights, now wants to be more and more oppressive and destructive of the said rights of the Member States. We are resolutely hostile to this, since the enfeeblement of national rights and legal specificities will surely lead to enfeeblement of the Member States themselves in a Europeist and federalist project.

Luca Romagnoli (NI), *in writing*. – (IT) Madam President, ladies and gentlemen, I have voted in favour of Mrs Geringer de Oedenberg's report on monitoring the application of Community law. Figures are objective; they can be interpreted but cannot be disputed: the notable increase in infringement cases and failure to abide by rulings of the Court of Justice, or to transpose directives within the timeframe set, indicate that there is a need for greater monitoring of individual Member States by the Commission.

In addition, I am convinced that there should be greater cooperation between the European Parliament and national parliaments, in order to promote and indeed to add force to the application of Community law at national, regional and local levels. I also approve of the inclusion in the text of the issue of the management of the Structural Funds: Member States need to be reminded that if they wish to benefit from the Funds within the 2007-2013 financial framework then they must adapt their legislation to comply with European law, above all with regard to environmental protection, in such a way as appropriately to foster economic and social development at regional level.

Andrzej Jan Szejna (PSE), *in writing*. – (PL) During today's sitting of Parliament I voted in favour of the annual report of the Committee on Legal Affairs on monitoring the application of Community law in 2006.

The document drafted by the rapporteur, Mrs Geringer de Oedenberg, contains references to failure to comply with the timetable for transposition of directives, unsatisfactory cooperation between the judicial systems of the Member States and the European Court of Justice, and also criticism of the methods of dealing with complaints.

One very worrying phenomenon is the unwillingness of the national courts to implement the principle of primacy of Community law and to take advantage of the preliminary ruling procedure.

The report also points to the increased number of infringements arising from failure by the Member States to comply with the rulings of the Court of Justice and failure to comply with the timetable for the transposition of directives.

In the light of the above, there is an urgent need to enhance cooperation between the European Parliament and national parliaments, and to increase monitoring of application of Community law at national and regional level. Such action will bring the European Union closer to the citizens and strengthen its democratic legitimacy.

– Report: Georgios Papastamkos (A6-0354/2008)

Jean-Pierre Audy (PPE-DE), *in writing*. – (FR) I voted in favour of the resolution on a strategy on future implementation of the institutional aspects of the regulatory agencies, and I did so on the basis of the report drawn up at the initiative of my excellent colleague and friend, the former Greek Minister, Mr Papastamkos. It is regrettable that the efforts deployed by Parliament and the Commission with a view to establishing legally constraining oversight of the European regulatory agencies have produced no significant result. I share the opinion of the vast majority of my colleagues who deplore the absence of a general strategy for setting up agencies in the European Union. It has become urgent and necessary for the Council and the Commission to work together with Parliament in order to establish a clear, common and coherent framework concerning the place given to the agencies in the future within the scope of European governance, its being necessary to set up parliamentary control over the constitution and operation of the regulatory agencies.

Šarūnas Birutis (ALDE), *in writing*. – (LT) Recently there has been a noticeable growth in the number of regulatory agencies both at European and at national level. There are similarities and differences between these two levels. The variety of these agencies in terms of structure and function at a European and national level raises questions regarding regulation, good management and the closeness of institutions in the sense of centralisation and decentralisation.

Europe's regulatory agencies are mostly decentralised or independent services, therefore it is necessary to demand particular transparency and democratic control when we discuss their founding and activities, as without regulatory and executive institutions which have exclusive rights, the growth in numbers in the most important areas of social activity may damage the name of institutions representing the European Union, alienate them and greatly increase bureaucracy.

The application of parliamentary control to the structure and activities of regulatory agencies should conform with the classic principle of democracy, which demands an increase in the political responsibility of all institutions with executive powers.

Bruno Gollnisch (NI), *in writing*. – (FR) The European Union includes 29 agencies, veritable European micro-institutions whose cost comes to more than EUR 1 billion and whose usefulness is subject to caution. The rapporteur is thus right to demand more transparency and more responsibility in managing these numerous agencies, true political control over their activity, evaluation of those that already exist, a moratorium on the creation of new agencies and a 'cost-advantage' analysis before any decision is taken.

However, the true problem is the very existence of these agencies, additional layers of European bureaucracy, some of which have a regulatory power and others executive functions that interfere with the work of the national authorities when they do not complicate it. The true problem is their proliferation and the fact that they are spreading throughout Europe, their seats being handed out like vote-catching presents. The true problem is that 40 % of them are founded by virtue of Article 308 of the Treaty, that famous article that makes it possible to increase the competencies of Brussels when they are not expressly provided for by the laws and regulations.

Since this report resolves nothing, we are unable to approve it. However, since it is, even so, an attempt to put a bit of order into this jumble, we cannot reject it. For this reason, we shall abstain.

Hélène Goudin and Nils Lundgren (IND/DEM), *in writing*. – (SV) It is interesting that, in point 5 of the report's proposal, the absence of a general strategy for the creation of EU agencies is now being noted. New agencies are being created on a case-by-case basis, leading to a non-transparent patchwork of regulatory agencies, executive agencies and other Community bodies.

It is even more interesting to note that the majority in the European Parliament has always promoted the creation of new agencies and is only now realising that the overall picture has been lost.

The June List supports the main ideas of the report, but we are critical of how the European Parliament is now trying to take in new territory with the regulatory agencies having to submit annual reports to Parliament and the directors of the agencies possibly being invited to appear before the competent parliamentary committee before they are appointed. We are sceptical about these proposals. Firstly, it is appropriate for the Commission to be responsible for the governance of these agencies, and secondly, party political wrangling may influence the appointment of the agency directors, who as such should merely be officials.

Luca Romagnoli (NI), *in writing*. – (IT) Madam President, ladies and gentlemen, I have voted in favour of the report presented by Mr Papastamkos on a strategy for the future settlement of the institutional aspects of Regulatory Agencies. I welcome the Commission's plan to set up an interinstitutional working group to be responsible for defining the functions of regulatory agencies, and the respective competences of each European Union body in relation to the aforesaid agencies.

This proposal should be the starting rather than the finishing line though, since the objectives go far beyond the creation of an interinstitutional group. Indeed, the proposal for a common approach, insofar as possible, to the structure and functioning of these agencies is aimed at cutting red tape so that these bodies can carry out their legislative role in a proper and effective manner. This will make it possible to monitor them and to meet the auditing requirements, at least in part, as well as to foster the responsibility called for by a role of such importance.

– Motion for a resolution: arrest warrant against Joseph Kony in view of his trial before the IPC (B6-0536/2008)

Hélène Goudin and Nils Lundgren (IND/DEM), *in writing*. – (SV) Joseph Kony and the Lord's Resistance Army are guilty of committing appalling crimes over the last 20 years, which is why the International Criminal Court now wishes to put him on trial.

The conflict in the Great Lakes Region, Uganda and Sudan is still going on and is constantly claiming new civilian victims. It is the clear responsibility of the international community to put a stop to this terrible tragedy.

The June List generally has a negative view of foreign policy resolutions. However, this one relates to an organisation and its leader that are being accused by the International Criminal Court of crimes against humanity. We have therefore chosen to support this resolution.

Luca Romagnoli (NI), *in writing*. – (IT) Madam President, ladies and gentlemen, I would like to inform the House that I have voted in favour of the motion for a resolution on the indictment and bringing to trial of Joseph Kony at the International Criminal Court. It is wholly unacceptable that it has been more than three years that attempts have been made to arrest an international criminal like Kony, the perpetrator and instigator of crimes including murder, genocide, rape, looting and incitement to rape. All these attempts have failed due to the continued reluctance of the Ugandan Government to cooperate in capturing this criminal, for whom the ICC has issued an international arrest warrant.

I would point out that Uganda has signed the Rome Statute, according to which every member commits itself to put an end to impunity for the most serious crimes of major concern for the international community, and to contribute to the prevention of such crimes. I would also like to express my concern over the total absence of a clear commitment aimed at preventing the diversion to the LRA, the army led by Kony, of international aid (above all from the Government of Sudan), which it can use to fund itself easily.

– Report: Marielle De Sarnez (A6-0294/2008)

Jean-Pierre Audy (PPE-DE), *in writing*. – (FR) I voted in favour of the legislative resolution changing the proposal for a decision of the European Parliament and of the Council establishing an action programme for the enhancement of quality in higher education and the promotion of intercultural understanding through co-operation with third countries (Erasmus Mundus) (2009-2013), and this on the basis of the report by Mrs de Sarnez. I back the compromise amendments aimed at academic excellence, equity linked to geographic coverage, informing the public about this programme and the necessity of lifting all legal and administrative obstacles to exchange programmes between European countries and third countries (problem of visas). I also maintain that it is necessary to take steps within the scope of the programme to ensure that students,

doctoral candidates and post-doctoral and university researchers coming from the least developed third countries (ACP = African, the Caribbean and Pacific countries, in particular) return to their country of origin once their stay has expired in order to avoid the 'brain drain' phenomenon. Bravo, finally, on the requirement to learn at least two European languages and to fight against discrimination and promote respect for gender equality.

Ole Christensen, Dan Jørgensen, Poul Nyrup Rasmussen, Christel Schaldemose and Britta Thomsen (PSE), in writing. – (DA) The Danish Members of the Socialist Group in the European Parliament have voted against the report on the Erasmus Mundus II programme. That is not because we are opposed to the programme, but because the wording on funding is in danger of bringing about a situation in which Danish students have to pay for using the programme. In general, we support the objective of the Erasmus Mundus programmes.

The Danish Members of the Socialist Group in the European Parliament have voted in favour of the own-initiative report on better regulation, but wish to emphasise that removal of administrative burdens can be a very political process. We support the objective of removing the unnecessary administrative burdens. Certain administrative burdens may, however, be socially very necessary, even if they may be felt to impede companies' growth and innovation. We think that a balanced approach to reducing administrative burdens is necessary.

Konstantinos Droutsas (GUE/NGL), in writing. – (EL) As part of the anti-grassroots policy of the Lisbon Strategy, the EU is using the Erasmus Mundus programme (2009-2013) for the bourgeois modernisation of universities in the Member States, in accordance with the demands of capital, so as to cause a 'brain drain' from third countries and step up the exploitation of workers, thereby increasing the profitability of European monopolies.

It reinforces private economic criteria for evaluating universities and research centres and places state and private institutes of education on an equal footing. It creates education 'consortia' on the basis of the 'objective of excellence' and imposes tuition fees on students, thereby essentially excluding children from working class families from higher education and post-graduate studies.

The demagogic declarations by the EU about preventing a brain drain from less developed countries cannot conceal the real objective, which is none other than the woeful exploitation of manpower from those countries and drastic restrictions on the rights of young people to a high standard of free state education for every child from working class families.

For these reasons, the parliamentary group of the Greek Communist Party voted against this legislative initiative.

Edite Estrela (PSE), in writing. – (PT) I voted in favour of the De Sarnez report on the Erasmus Mundus programme (2009-2013) as I consider that this new programme is fundamental for promoting the European Union as a centre of excellence for learning at world level.

Through cooperation between the various EU educational establishments, Erasmus Mundus II will improve the response to the growing demand for student mobility and will promote the quality of higher education in the EU and dialogue between different cultures. I would also highlight the important innovations proposed in the report, such as the extension of the doctoral programme, the inclusion of scholarships and the promotion of the active participation of undertakings and research centres.

Ilda Figueiredo (GUE/NGL), in writing. – (PT) This is an important programme which aims to support third-country students who want to come and study in the European Union, although its limited funding may create difficulties for those required to pay university fees who are unable to do so. As a result, although we voted in favour of the report, we regret that the proposals tabled by our group were rejected, as these aimed to help solve this problem.

However, we are pleased to say that proposals were adopted aimed at improving the mobility of these students and drawing attention to the fact that the programme must not be used to attract people with special skills from third countries to the European Union, to the prejudice of their countries of origin. We insisted on the need for the European Commission, when evaluating the programme, to take account of the potential consequences of the 'brain drain' and the socioeconomic situation of those concerned.

We must ensure that masters' students, doctoral candidates, researchers and academics from less-developed third countries can return to their places of origin once their period of study has ended, thus avoiding any 'brain drain'.

Neena Gill (PSE), *in writing*. – Madam President, I voted in favour of this report, and I hope that the extension of the Erasmus Mundus Programme to 2013 will continue to provide an important bridge between different cultures.

The benefits of this educational programme are evident – not only will the EU benefit from attracting intelligent, high-flying students from third countries, which will improve EU research and innovation, but our own students will also gain improved language skills and increase their employability, both at home and abroad.

Above all, I think this programme is particularly pertinent, given that this is the Year of Intercultural Dialogue. Building links with third countries through education fosters understanding and communication between different cultures, languages and faiths. This is precisely the kind of programme that the European Parliament should be supporting, and I welcome it wholeheartedly.

Hélène Goudin and Nils Lundgren (IND/DEM), *in writing*. – (SV) We have chosen to vote against this report from the Committee on Culture and Education. We are not voting against the idea of the Erasmus Mundus programme as such, but as a result of some of the detailed proposals put forward by the Committee and some of those put forward by the Commission.

We do not support a special Erasmus Mundus visa as per the brief descriptions contained in the proposal. Each Member State has the right to issue visas, and we hope that they have a generous attitude when it comes to issuing visas to students involved in the Erasmus Mundus programme. We are of the opinion that it is not possible to regulate this sort of visa at EU level.

We also reject the idea of the EU providing financial support to an alumni association of students graduating from various Erasmus Mundus programmes. Student associations should develop out of the needs and personal efforts of individuals. They cannot be created from above by EU institutions.

Małgorzata Handzlik (PPE-DE), *in writing*. – (PL) The Erasmus Mundus programme involves cooperation and mobility in the higher education sector, aimed at promoting the European Union as a centre of excellence in learning around the world. It broadens the opportunities available to date in the framework of the Erasmus programme, opening up cooperation in the field of education to countries that are not Members of the Union.

Education plays a vital role in young people's lives. International experience is increasingly valued by the students themselves and by future employers. A knowledge of languages, cultures, the specific nature of each country and the ability to operate in an international environment are just some of the many benefits of participating in the programme. The promotion of mobility is another prominent feature of the programme's aims. The latter are particularly important in the era of globalisation, as contacts with third countries gain significance. We should welcome the fact that European students and students from third countries will continue to have the opportunity of acquiring such experience.

I am glad that the programme voted through also contains proposals for resolving visa issues. The latter complicate travel arrangements unnecessarily. The proposed facilitation should also affect the scope of information available. Students should be able to obtain all the information they require to make it easier for them to prepare for their stay well in advance. In this connection, support from European Commission representations in third countries could be particularly helpful.

Ona Juknevičienė (ALDE), *in writing*. – (LT) Today we voted on the new generation of the Erasmus Mundus programme (2009-2013). The current Erasmus Mundus programme was implemented in 2004 and more than 4000 citizens of the European Union and third countries have successfully used this programme. Erasmus Mundus has proved to be a reliable measure in the field of higher education, particularly in the area of masters courses. The goal of the new programme is to encourage higher education in Europe, to help offer more and better career opportunities to young people, and to implement more structured international cooperation between higher education institutions, ensuring greater mobility for students from the European Union and third countries. Over the next 5 years, universities in Europe and third countries will be allocated more than EUR 950 million to join the programme and offer grants. An extra programme for postgraduate studies will be added, and students will be allocated more financial support. During the vote I supported the

amendments by the committee responsible, which give the document clearer regulation, safeguard student choice and rights and enable stronger cooperation between universities.

Carl Lang and Fernand Le Rachinel (NI), *in writing*. – (FR) The objective of encouraging economic immigration on a huge scale, already set out on 11 January 2005 by the European Commission in its 'Green Paper on an EU approach to managing economic migration' is more topical than ever, given this report.

No fewer than EUR 950 million have been appropriated to the Erasmus Mundus II programme for the period 2009-2013. This programme is intended to attract foreign students and teachers to the geographical area of the European Union. That is some EUR 654 million more than the amount appropriated to the first version of the programme.

Under the pretext – laudable in itself – of encouraging students from third countries to come to study in Europe by offering them high-level master's degrees or doctorates, what in reality are being opened up are the floodgates for a new channel of legal immigration. Easier access to Europe will, in fact, be given to foreigners from third countries by means, in particular, of simplified procedures for obtaining visas and scholarships and modified tuition fees.

Far from favouring its own nationals and encouraging the European research and excellence it needs, the European Union is again favouring those from outside the EU and exhibiting its penchant for immigration on a huge scale.

Andreas Mölzer (NI), *in writing*. – (DE) The Erasmus Mundus II programme is similar to the Erasmus exchange programme for European students, but is aimed primarily at exchanges with third countries. Its purpose is to attract qualified foreign students to Europe.

I am fundamentally in favour of an intercultural exchange, particularly at a scientific level. However, I have doubts about the effectiveness and, above all, the usefulness of this programme for the Member States. At a time when in some Member States places at universities for the resident population are restricted in many subject areas, we should be cautious about higher qualifications.

The move to the Bologna model throughout the entire university system in Europe has made it difficult enough for students with a master's degree to find a PhD place. Increasing the competition for resident students seems to me to be counter-productive. It will also be difficult to control breaches of immigration regulations in relation to the programme. For this reason I have voted against the report.

Zdzisław Zbigniew Podkański (UEN), *in writing*. – (PL) The Erasmus Mundus programme has already played an important role in the contemporary education of young people and adults. The experience gained indicates that the challenges should be tackled with a degree of caution, however. Unduly radical changes such as new conditions for tuition fees could unbalance this educational system, which has proved itself in the market. Such changes might also infringe certain principles concerning the autonomy of academic institutions. It is therefore necessary to consider whether it would be best to leave decisions with the Erasmus Mundus consortium or to lay down the conditions for management from above.

I believe that, where established practice exists and there is the opportunity for local bodies to take decisions, that should be respected and nothing new imposed by decree. This is particularly important given that we live in very different regions. Some are said to be better developed, others to be less so, and they all have varying traditions and diverse economic conditions.

I should like to take this opportunity of pointing out that Parliament has the unjustified practice of referring to documents which are not yet binding, such as the European Constitution that was rejected in a referendum, the Treaty of Lisbon and the related Charter of Fundamental Rights. Legislation cannot be founded on what is not on the statute book.

Luca Romagnoli (NI), *in writing*. – (IT) Madam President, ladies and gentlemen, I have voted in favour of Mrs De Sarnez's report on the Erasmus Mundus programme (2009-2013). Young people are our future, and I say that not simply because it is a fitting expression: the Erasmus Mundus programme is built on an ethos of excellence and the promotion of intercultural integration, through cooperation with third countries, in order that new generations can work towards a better world. Specifically, the new Erasmus Mundus programme lays emphasis on the possibility of attending masters' and doctoral courses, the creation of partnerships with educational establishments in third countries and the pursuit of particular communication and information activities.

I applaud this initiative, and I would also like to draw attention to Mrs De Sarnez's proposal that the learning of at least two foreign languages should be made a priority: languages are in fact the primary vehicle of cultural integration.

Bart Staes (Verts/ALE), in writing. – (NL) Erasmus Mundus II broadly matches its predecessor, although major adjustments have been made. Important changes include a more balanced and guaranteed geographical representation in the Erasmus Mundus programmes which consortia of universities from at least three European countries can offer, along with extra attention for vulnerable populations.

The admission criteria for the training courses must be quality-based, and, at the same time, gender equality must be respected and access for disadvantaged groups improved.

When grants are awarded to European students and students from third countries, the institutions that offer the courses must respect the principle of equal opportunities and non-discrimination.

At the same time, Erasmus Mundus II should contribute to the sustainable development of higher education in Europe and in third countries, whereby the Commission should make every effort to prevent brain drain.

The Greens will ensure that these adjustments are actually implemented. The assessment of Erasmus Mundus should also demonstrate that access to the Erasmus Mundus courses has improved for vulnerable groups.

The Group of the Greens/European Free Alliance in the European Parliament has endorsed this report subject to those conditions

– **Report: József Szájer (A6-0300/2008)**

Bogusław Liberadzki (PSE), in writing. – (PL) I voted in favour of the report on the proposal for a directive of the European Parliament and of the Council on safety rules and standards for passenger ships (recast) (COM(2007)0737 – C6-0442/2007 – 2007/0257(COD)).

Along with Mr Szájer, I am inclined to recognise the principles and guidelines provided by the Conference of Presidents. They are fully compliant with the law. I also fully endorse the suggestion that the decision by the Conference of Presidents requires technical adjustments.

– **Report: József Szájer (A6-0297/2008)**

Jean-Pierre Audy (PPE-DE), in writing. – (FR) I voted in favour of the proposal for a directive of the European Parliament and of the Council on genetically modified micro-organisms (recast), and this on the basis of the report by Mr Szájer. I regret that, given the development and complexity of the laws and regulations, the Commission has not changed its position dating back to 1st April 1987, which consists of instructing its services to proceed with the codification of legislative documents no later than after their tenth modification, while at the same time stressing that this was a minimum rule and that the services were to codify the laws and regulations for which they were responsible at even shorter intervals. In this particular case, we are proceeding with revision of the directive of 1990 and of the laws and regulations that were changed four times, in 1994, 1998, 2001 and 2003. Initially intended for codification, Directive 90/219/EEC is, in the end, recast in order to introduce the changes necessary for adapting to the procedure on regulations with control introduced in 2006. I consider that the policy of consolidating Community policy should be a priority of the European Commission and that the current situation is not in order, particularly with regard to the Member States and citizens.

Dumitru Oprea (PPE-DE), in writing. – (RO) Even if the progress made and efficiency achieved in agricultural, crop and animal production are inconceivable without the major discoveries made in the field of genetics, we need to devise the optimum biosecurity measures for using genetically modified micro-organisms in contained conditions as we need to respect the precautionary principle so that we can protect human health and the environment.

It is definitely the case that nowadays mankind would have been worse off and more strife-torn without the discoveries made by Mendel, followed by those of Morgan, Crick and Watson. However, it is clear that the procedures for obtaining, testing, using and commercialising genetically modified organisms (GMO), whether plants, animals or micro-organisms, must be subject in every country to a special scheme of regulation, authorisation and administration, which will set out a legal and institutional framework, intended to eliminate or reduce the risks of producing any negative effects.

– Report: Eoin Ryan (A6-0348/2008)

Luca Romagnoli (NI), *in writing*. – (IT) Madam President, ladies and gentlemen, I have voted in favour of Mr Ryan's report on Community statistics relating to the trading of goods between Member States. The aim of Community legislation is to reduce unnecessary and excessive bureaucracy, and therefore the issue of statistics relating to the trading of goods between Member States cannot remain untouched.

Eurostat has formed a working group to investigate how intra-Community reporting of this trading can be simplified and modernised. Furthermore, a study is underway into a single system for the development and cataloguing of commercial flows of goods within the common market. I agree with this initiative, but I hope, together with Mr Ryan, that the Commission will improve this proposal by specifying in sufficient detail what measures should be taken in order to introduce a single-flow mechanism of this kind. Pilot projects could be used for this, so that the value and feasibility of the scheme might be examined in full.

Eoin Ryan (UEN), *in writing*. – (GA) Ninety per cent of businesses in Ireland are small and medium-sized enterprises, as is the case throughout the European Union. In Ireland – as I am more familiar with the situation there – around 250 000 enterprises are small and medium-sized enterprises employing more than 800 000 people. Most of those enterprises (circa 90%) employ fewer than ten people, with only one person employed in half the cases. Time, therefore, is a very valuable resource, but those enterprises find themselves spending a great deal of time simply filling out forms.

It will come as no surprise that I support this report (being my own report) on which compromise was reached through cooperation between the Council and my colleagues in the ECON committee. However, I wished to make this explanation of vote to emphasise its importance. The provisions of the report will relieve over 200 000 small and medium-sized enterprises of the task of filling out forms relating to the trading of goods, thus saving time and benefiting business and enterprise in general.

Bernard Wojciechowski (IND/DEM), *in writing*. – (PL) Intrastat is a single common system for European countries. It aims to reduce unnecessary bureaucracy and regulation. It is a flexible system and therefore allows for account to be taken of specific needs and solutions pertaining to individual Member States of the European Union.

Another important point is that both the Intrastat system and the international trade statistical system are based on the recommendations for an international trade in goods statistical system developed by the UN's Statistical Division. This makes it possible to obtain complete and fully comparable information on the international trade in goods.

Ongoing collection of statistical data on important economic issues is very necessary. The Member States should make every effort to modernise and improve this system.

– Report: Evelyn Gebhardt (A6-0361/2008)

John Attard-Montalto (PSE), *in writing*. – Malta is the only state in the EU where divorce is not possible. In Europe there are only three states where divorce is not achievable: the Vatican, Andorra and Malta.

Malta, however, allowed the registration of a divorce obtained elsewhere provided the person was either a national or domiciled in the country where the divorce was given.

By virtue of Brussels II (Council Regulation (EC) No 2201/2003), a person can now obtain a divorce if he is a national of any Member State and has been habitually living there for six months. Any other person can file for divorce if that person has been habitually resident in the Member State for a continuous period of one year immediately preceding filing for divorce.

It is commendable that a new article in cases where states do not have divorce laws, as in the case of Malta, has been taken into consideration.

In Malta we have already recognised divorce through the system of registration in cases where the appropriate regulations apply; it is not a question of adopting the principle of divorce as this is already in force in certain circumstances. The issue is whether divorce should form a specific part of our legal system even when these special circumstances do not apply.

Jean-Pierre Audy (PPE-DE), *in writing*. – (FR) I voted in favour of the legislative resolution approving, subject to amendments, the proposal for a Council regulation amending the regulation of 2003 as regards jurisdiction

and introducing rules concerning applicable law in matrimonial matters, and this on the basis of the report by Mrs Gebhardt. Faced with the increased mobility of citizens within the European Union resulting in an increase in the number of 'international' couples, that is, couples in which the spouses are of different nationalities or reside in different Member States or in a Member State of which at least one of the two is not a national, and due to the high divorce rate in the European Union, it has become indispensable to legislate on the applicable law and competence in matrimonial affairs, which concern an ever increasing number of citizens each year. It is necessary to go on pointing out that the treaties provide for progressively setting up a common area of freedom, security and justice along with measures aimed at furthering the compatibility of applicable rules in the Member States in the area of conflicts between laws and competence.

Lena Ek (ALDE), *in writing*. – (SV) Mrs Gebhardt's report clarifies the competence of national courts in connection with matrimonial cases within the EU as well as which law is to be considered appropriate. The aim is to militate against the risk of one of the spouses trying to rush in first with petitioning for divorce in order for the case to be governed by the law of a particular country that would protect the interests of the spouse in question. This aim in itself is naturally commendable. However, in my opinion the disadvantages of the regulation outweigh the advantages.

Sweden has one of the world's most liberal matrimony laws, and this is something we should be proud of. The danger associated with the original proposal is that it would mean that in a number of cases Swedish courts could be forced to pass a judgment according to Maltese, Irish, German or Iranian law when one party files for divorce. In the long term, this would restrict the Swedish unconditional right for one person to file for divorce and also to have it granted – an area I could never compromise on. Therefore, my first thought was to vote against the report. However, during the vote an oral amendment was approved, which in essence related to the legal principle of public order. I am still of the opinion that the Swedish model should be preserved, but in order to encourage improvement, I have chosen instead to abstain.

Edite Estrela (PSE), *in writing*. – (PT) I voted in favour of the Gebhardt report concerning applicable law in matrimonial matters. Bearing in mind the increased mobility of citizens in the EU and the diversity of applicable legislation in the various Member States in the event of divorce, I support the possibility for spouses of different nationalities or resident in different Member States to choose the law applicable to their divorce.

However, I feel it is vital to ensure that each spouse is informed so that both are fully aware of the legal and social consequences resulting from choosing the applicable law.

Bruno Gollnisch (NI), *in writing*. – (FR) The new legislation we are being proposed concerns divorce for 'international couples', that is, couples in which the spouses are of a different nationality or who live in different Member States.

At issue here is fixing the rules relative to the competent jurisdiction and applicable law in order to offset the legal insecurity that prevails in this area. At present, the applicable law is determined according to national laws regarding conflict of law, themselves being highly disparate among the various Member States, as well as being complex. The majority of Member States determine the applicable law in accordance with criteria of reattachment or of residence (*lex loci*). Other Member States systematically apply their national law (*lex fori*) which, obviously, can lead to applying a law with which the spouses have only tenuous links and to a result that is not in keeping with legal certainty.

This new regulation proposes that we harmonise these rules of conflict of laws. We are in favour of this, as it should introduce more predictability into what remains a dramatic situation and do so in the interests, in particular, of the security to which children, who are too often the victims of the separation of their parents, are entitled.

Hélène Goudin and Nils Lundgren (IND/DEM), *in writing*. – (SV) We in the June List are greatly disappointed to observe the eagerness of the rapporteur to pursue an issue that has very recently been rejected by the Council. The fact is that, despite its shortcomings, the current Brussels IIa Regulation is a much better piece of legislation than that proposed by the rapporteur. To take away the freedom of spouses to choose a court and jurisdiction is an indication of the Commission's and, more especially, the rapporteur's, arrogant attitude towards current practice in all the Member States.

We are not only rejecting this ill-thought out report, but are calling on all Members to stand up for freedom of choice for spouses going through a divorce. Complicated EU rules are the last thing these people need during difficult times.

Marian Harkin (ALDE), in writing. – Ireland has opted out of the adoption and application of this regulation as we were not in favour of extending jurisdiction to Irish courts to grant a divorce to an EU national based on a substantially different law of the state from where he/she came.

If Ireland were to implement this measure, this would allow EU nationals resident in Ireland to obtain a divorce in our courts on substantially different and less onerous grounds than that provided for in our Constitution as allowed by the referendum on divorce in 1995, i.e. 4 years separation of the parties. It would also mean that the present Constitutional requirement on Irish courts in divorce proceedings to allow divorce only where proper provision is made for the parties involved and for dependent children would not apply in such cases. While there are positive aspects to this report I have abstained because of Ireland's opt-out.

Anneli Jäätteenmäki (ALDE), in writing. – (FI) Madam President, I voted against the report on marriage by Mr Gebhardt, as I think it is important that Finnish laws should apply in Finnish courts in future in cases where the application of a law of a foreign country would conflict greatly with the basic premises of Finnish law.

I am also very concerned about the proposed evaluations of guilt in divorce cases. In Finland we gave up investigating unfaithfulness or other such matters in divorce cases about 20 years ago. It would be one gigantic leap backwards and a whiff of the old times if this were reintroduced.

Ona Juknevičienė (ALDE), in writing. – (LT) The enlarged European Union is seeing a rise in the number of international families, that is, spouses of different nationalities. Unfortunately, in the EU a high number of marriages between different nationalities are ending in divorce, and often the divorce process is complicated and takes a long time. This is because until now people had limited opportunities to choose the court, which would consider their divorce case. Once they had decided to separate, spouses could only approach a court in their country of residence. Consequently, they were also unable to choose the laws of other Community Members and apply them to their divorce. For example, in order to divorce her husband, a Lithuanian woman, who had married a German and had a family in Germany, had to approach a court in their place of residence. Their divorce case had to be tried under German law. Once the regulation has been adopted, from 1 March 2009 these restrictions will no longer be in force. Families going through divorce proceedings will be able to either choose the court according to their place of residence or choose the law applied by the country of which they are a citizen. At the time of voting I supported the amendments, which determined that the law applied in divorce cases must not conflict with the main principles of the Charter of Fundamental Rights of the European Union. This is particularly important as we strive to avoid sex discrimination when trying and making decisions in divorce cases.

Eija-Riitta Korhola (PPE-DE), in writing. – (FI) I voted in favour of Mrs Gebhardt's report, because I think the Commission's proposal to standardise the rules on conflicts of law in divorces between international couples is an important one. Divorce is a human tragedy for the parties and their children. That is why the parties involved need to be as clear as possible on the procedure to be applied and the material content of the law.

The situation now, where under the Brussels IIa Regulation spouses are able to choose amongst a number of different competent courts and the jurisdiction is determined with reference to the rules on conflicts of law in the Member State where the forum is located, does not establish the necessary legal certainty. Forum shopping and the 'dash to court', for one party to obtain a favourable result, are serious side-effects of this.

I think that the right of marriage partners to choose by mutual agreement the competent court and jurisdiction would also help them discover the content in both cases. For this very reason, it is crucial that access to information on content and procedures should be made easier, as stated in Amendment 2. Amendment 1, which safeguards the interests of children in choosing the law, is also vitally important.

I support Amendment 37, tabled by my group, in which the law of the Member State where the couple were joined in marriage must also be the one chosen. This is logical and would make it even easier to discover the content of the law to be applied.

Astrid Lulling (PPE-DE), in writing. – (FR) In Europe there are, generally speaking, too many divorces, particularly in my country. A growing number of divorces affects mixed couples, that is, couples in which the spouses are of a different nationality.

As the free movement of persons is a given fact of European integration, it is essential that a clear legal framework be set up.

Being aware that the national rules in the area of divorce are extremely disparate, I fully appreciate the danger that might result from a 'tourism' of divorce, were one able to choose the most advantageous jurisdiction for one of the spouses and the most constraining jurisdiction for the other.

I would have voted in favour of this report because the proposed regulation would have offset the shortcomings, making it possible for two spouses living in different Member States to choose by mutual consent, and with full knowledge of the facts, the competent jurisdiction in their divorce proceedings, which should have been one of the two Member States of residence in the European Union.

Unfortunately, during the vote, an oral amendment that had been adopted caused such confusion that it was necessary to refer the whole report back to the committee. Since the report was not referred back to the committee, I no longer took part in the final vote.

The subject is too delicate to be voted on in a state of confusion.

Mairead McGuinness (PPE-DE), in writing. – I did not vote on this report as Ireland chose not to exercise its option to take part in the adoption and application of the proposed regulation and has not played an active role in negotiations at Council level.

Ireland was not in favour of extending jurisdiction to Irish courts to grant a divorce to an EU national based on a substantially different law of the state where he/she came from.

This, if it had been implemented, would allow EU nationals resident in Ireland to obtain a divorce in Irish courts on substantially different and less onerous grounds than that provided for in our constitution as allowed by the referendum on divorce in 1995.

Given that Ireland is not part of the process in adopting and applying this regulation, I chose not to vote on this report.

Miroslav Mikolášik (PPE-DE), in writing. – (SK) I welcome the report from my colleague Evelyne Gebhardt on the choice of jurisdiction, the recognition of judgments and the rules applying to the right to decide on matrimonial matters. I firmly believe that it is important to create a clear, comprehensive and flexible legal framework in this sensitive area.

In the vote today I voted in favour of the introduction of the right to choose an appropriate court for divorce proceedings. I supported a proposal under which a so-called international couple will be able to opt for jurisdiction in the place of their usual residence, or in the legal system of the country where they were married.

I fully support the view that it is important to ensure sufficient access to information for both spouses, regardless of their financial situation or level of education. Both sides should be precisely and fully informed of the consequences of their choice of court and of the right to decide in divorce cases. This applies especially in the case of international couples, since the laws of the Member States, the divorce procedures and the conditions under which divorces may be handled vary enormously.

Andreas Mölzer (NI), in writing. – (DE) In matters relating to cross-border marriages it is important that there is a standardised legal situation in Europe. Legal certainty for citizens in areas such as marriage and divorce, which often involve highly emotional issues, is increasingly important in areas of policy.

In a world which is shrinking at an ever increasing speed, regulations such as those already in place in civil law, in this case the free choice of applicable law and court for the parties, is important for their mobility. This regulation also establishes 'user-friendly' access to an area of family law. Another important factor in this context is that the parties are well-informed about the legal consequences of their decision. This is why I have voted in favour of the report.

Rareș-Lucian Niculescu (PPE-DE), in writing. – (RO) I voted for this report thinking about the more than 150 000 European men and women who are involved in cross-border divorce procedures every year. This also includes many Romanian men or women who have got married abroad. I voted for this report because I strongly believe that we have a duty to support the removal of all those bureaucratic obstacles and difficulties which make some people say that the Union would be hell for citizens and heaven for lawyers.

I also think that we have a duty to those we represent to eliminate a number of the other problems which cause trouble for Europe's citizens. Just two examples of these are the problems linked to medical care given to European citizens in a country other than their country of origin and the equivalence of educational diplomas.

Luca Romagnoli (NI), *in writing*. – (IT) Madam President, ladies and gentlemen, I have voted in favour of the work presented by Mrs Gebhardt, on applicable law in matrimonial matters. It has a worthy aim: to establish a clear and comprehensive legal framework to include laws on jurisdictional competence, and recognition and implementation of decisions on matrimonial matters, in addition to the rules on applicable law.

Indeed, under the current scenario, because of conflicts between national and Community laws, any 'international' divorce may throw up the most disparate of legal questions. We must also consider the risk of the 'dash to court', which rewards the spouse who attempts to get in first and seize the jurisdiction whose law best serves his or her interests.

This is completely unacceptable, and I therefore welcome this report, aimed at giving the spouses significant responsibilities, above all in terms of enlightened choice, choice of jurisdiction and finally choice of applicable law.

Olle Schmidt (ALDE), *in writing*. – (SV) As someone in favour of the European Union I usually see the added value of European legislation. Better solutions are often found for problems when several people have thought about them. This report is a regrettable exception to this rule. We have every reason to be proud of legislation that gives people the opportunity to go their separate ways if they so wish and therefore every reason to safeguard the system we currently have in Sweden. Like the government, I am therefore of the opinion that the Commission's proposal for harmonisation is heading in the wrong direction when account must be taken, for example, of the practice in Malta. The Vatican cannot be allowed to put obstacles in the way of an active equality policy at home. The European Parliament had a different opinion. It was therefore my intention to vote against the report. The amendment has also been entered in the Minutes.

Anna Záborská (PPE-DE), *in writing*. – (SK) I voted against the measure because I consider it to be irresponsible of the EU to interfere in matters which do not lie within its authority. This includes family law. The Council of Ministers should think carefully about whether to accept proposals from Parliament or the Commission. A small number of problem cases should not be exploited in order for the EU to appropriate further powers. This is not what European integration is all about.

Apart from this, the European Parliament referred in its opinion to the EU Charter of Fundamental Rights. This constitutes unacceptable manipulation on the part of Parliament, since the EU Charter of Fundamental Rights is not a legally binding document but a political compromise. The EU Charter of Fundamental Rights declares in Article 9: "The right to marry and right to found a family shall be guaranteed in accordance with the national laws governing the exercise of these rights." Since family law is resolved at a national level why do we need a parallel set of European divorce regulations? This opens up the possibility of manipulation. It is therefore not entirely clear what direction this regulation is heading in and the Commission is incapable of eliminating the uncertainties. I propose that the Council of Ministers reject this measure.

Andrzej Jan Szejna (PSE), *in writing*. – (PL) An increase in the number of married couples in the EU where the spouses are nationals of different EU or non-EU countries has been noted.

Consequently, the question of the choice of applicable law or competent court for a particular issue is arising ever more frequently.

The European Union needs effective conflict resolution provisions to determine legal competence.

As the number of divorces increases, so too does the number of cases of discrimination when seeking divorce or legal separation. The best-informed spouse takes the initiative and seizes the jurisdiction where the law best serves his or her interests. In so doing, this spouse is prejudging the competence of the legal system concerned.

In the case of marriages in which one of the spouses resides in a non-EU country, it may be difficult to find a court's recognition of a divorce settlement granted in a non-EU country.

The report voted on today aims to ensure access by both spouses to reliable information concerning divorce and separation proceedings and also the main issues in national and Community law. It has rightly been recognised as vital for the interests of any child concerned to be taken into account in each case when choosing the applicable law.

– Report: Pedro Guerreiro (A6-0388/2008)

Lena Ek (ALDE), *in writing*. – (SV) The fisheries policy pursued by the EU is not, and has never been, based on well thought-out, joint decisions. Fish stocks in Europe have declined dramatically in recent years, and very little is being done to change this situation. Instead, the EU is offering aid in return for fishing rights in third world countries and will therefore deplete their seas of fish as well. The local population along the coastlines will be deprived of its livelihood and will be reduced to living on aid, aid moreover that rarely provides adequate compensation or makes up for the lost income.

The fisheries policy that the EU should instead advocate must be permeated by long-term and far-sighted thinking. Such a process has no room for aid for improving and modernising fishing fleets, the ultimate aim of which is to increase catch capacity. However, I would gladly support measures which aim to support vulnerable local populations in poor coastal regions, whose only source of income is fishing and who are suffering tremendously as a result of reduced fish stocks, largely as a direct result of the EU's misguided fisheries policy. The proposals in Mr Guerreiro's report do not, however, include such measures and I have therefore voted against the report.

Duarte Freitas (PPE-DE), *in writing*. – (PT) Regulation (EC) No 639/2004 on the management of fishing fleets registered in the Community outermost regions provides for a number of derogations from the entry/exit regime established under Article 13 of Regulation (EC) No 2371/2002 on the conservation and sustainable exploitation of fisheries resources under the common fisheries policy.

However, the belated adoption of the Commission legal instrument enabling the Member States concerned to allocate state aid as well as limited shipyard capacity have made it impossible to meet the deadline relating to the entry into the fleet of fishing vessels benefiting from state aid for renovation up to 31 December 2008, as specified in Regulation (EC) No 639/2004.

In its report, the Committee on Fisheries defended the extension of deadlines for state aid for the renewal and registration of vessels, both in relation to the Regulation currently in force and in relation to the proposal presented by the European Commission, according to which the deadline should be extended only by one year, in other words until 31 December 2009.

The extension of state aid for renewing the fleets of the outermost regions until 31 December 2009 and the possibility of registering vessels until 31 December 2011 represent vital assistance taking into account the aforesaid constraints.

I therefore voted in favour of the Guerreiro report.

Pedro Guerreiro (GUE/NGL), *in writing*. – (PT) Support for the renewal and modernisation of the fishing fleets in the outermost regions is extremely important given the strategic nature of the fisheries sector in these regions. The report voted on today aims to extend by one more year the period of financing of the renewal and modernisation of the fishing fleets of the outermost regions.

It is justifiable to take account of the particular structural, social and economic situation of these regions in respect of the management of their fishing fleets. To that end, the provisions on management of fleet entry/exit regimes and compulsory withdrawal of capacity and also the rules on access to state aid for the renewal and modernisation of fishing vessels should be adapted to the needs of those regions.

In summary, support for the renewal and modernisation of the outermost regions' fishing fleets should continue, especially in the case of small-scale fleets, as the fleets of these regions consist for the most part of ageing vessels, in some regions even built more than 30 years ago. These actions are a *sine qua non* for improving catch storage conditions and the working and safety conditions of fishermen in these regions.

Luca Romagnoli (NI), *in writing*. – (IT) Madam President, ladies and gentlemen, I have voted in favour of the report on the management of fishing fleets registered in the Community outermost regions, presented by Mr Guerreiro. The Commission has always aligned itself in favour of European integration, whatever area is being discussed, and I share this view; but in this case we must eliminate any time limits, so that these regions have sufficient time for appropriate renewal and modernisation to better equip them to face competition within the internal market.

It is clear that continued support for this renewal is a *sine qua non* without which it will be impossible adequately to secure working and safety conditions and the conservation of fish stocks. For this reason I support this

initiative, aimed at completely restructuring the fleets of the outermost regions (ORs) in order to confront the new European challenges in the fishing sector.

10. Corrections to votes and voting intentions: see Minutes

(The session was suspended at 2.15 p.m. and resumed at 3.10 p.m.)

IN THE CHAIR: MR VIDAL-QUADRAS

Vice-President

11. Approval of the minutes of the previous sitting: see Minutes

12. EU-Russia relations (debate)

President. – The first item on the agenda is the Council and Commission statements on EU-Russia relations.

Benita Ferrero-Waldner, Member of the Commission. – Mr President, the European Union's relationship with Russia is one of the most challenging of our times. On the one hand, we see a complex web of joint activities and interwoven interests. On the other, we see the backdrop of events in Georgia.

The European Council has asked for a review of EU-Russia relations and this reflection takes place in the context of events which have cast a serious shadow over the EU-Russian relationship. The violation of Georgia's territorial integrity with the use of force and Russia's unilateral recognition of Abkhazia and South Ossetia remain unacceptable, and we cannot share the principles of foreign policy recently articulated in Moscow, including the resurgence of spheres of influence.

Therefore, the ongoing review has to make a rather sober assessment of the EU's own self-interest in this relationship. Yet, at the same time, economic and trade relations between the European Union and Russia are strong, and getting stronger. Russia is already our third-most important trading partner and we see growth rates of up to 20% a year. Energy is a major factor, but there is also impressive growth in services.

With its recent high growth rates and emerging middle class, Russia is an important emerging market, right on our doorstep, that offers opportunities for EU business, notwithstanding the effects of the present financial crisis. The European Union is a major investor in Russia, accounting for 80% of cumulative foreign investment. A significant share of Russian foreign reserves is in euro, making Russia one of the largest holders of euro-denominated assets in the world.

For all these reasons, we have a stake in the continuing growth of the Russian economy and in supporting Russia's quest for modernisation, including the development of a truly independent judiciary able to enforce contracts. This is in line with the emphasis which President Medvedev has placed on the importance of the rule of law in Russia.

The security of energy supply and demand is a key component of our relationship. EU Member States are major buyers of Russian energy products and this is unlikely to change in the short to medium term.

The relationship is one of interdependence, not dependence. Exports to the European Union have made an important contribution to the impressive growth rates Russia has seen over the past five to six years. Nevertheless, a great deal of work has yet to be done to build up a genuine energy partnership based on the principles enshrined in the Energy Charter Treaty, namely transparency, reciprocity and non-discrimination.

Even more importantly, Russia is a key geopolitical actor, whose constructive involvement in international affairs is a necessary precondition for an effective international community. We therefore engage on Iran, the Middle East, Afghanistan, the Balkans and elsewhere, as well as in multilateral fora. We also have a common interest in pursuing the non-proliferation of weapons of mass destruction. In all these areas, cooperation is not always easy but we need to continue. Greater cooperation in the area of freedom, security and justice is helping to tackle threats posed by challenges such as terrorism and organised crime.

It is through dialogue we have built up that we are able to discuss areas such as human rights. Consultations are taking place in Paris today. We will once again remind Russia of its commitments as a member of the

Council of Europe and the OSCE, particularly regarding freedom of the press and the events unfolding in Ingushetia, for instance, as well as other human rights issues.

For us, it is clear: Europe upholds values and established norms of international conduct, and we stand by these in all circumstances. These include respect of territorial integrity and the peaceful resolution of disputes. The European Council has noted with satisfaction that Russian troops have withdrawn from the zones adjacent to South Ossetia and Abkhazia as an essential step to implementing the six-point plan. Talks in Geneva were launched last week and this was another important step forward. There is, of course, a great deal more to do.

Tomorrow I will host a donors' conference for Georgia to mobilise funding for the reconstruction of damaged infrastructure and the reintegration of internally displaced people, and to accelerate Georgia's economic recovery from the conflict. In cooperation with Parliament, I intend to devote up to EUR 500 million for this purpose, and I should like to express my thanks to the chairs of the Committee on Budgets and the Committee on Foreign Affairs, who have written to me expressing their support for this approach.

The review of EU-Russia relations with the European Council, as requested, will present a comprehensive overview of the many strands of the relationship, from our efforts to support Russia's accession to the WTO, to visa facilitation, customs cooperation, educational exchanges and cooperation in scientific research. This review should guide us in approaching all our current activities with Russia and those which are currently on hold. It should be discussed at the next General Affairs Council on 10 November 2008, at which I hope we will be able to find the right understanding on pursuing negotiations on a new EU-Russia agreement.

I say this because I know of no better way to pursue our own interests and make our concerns heard. On the other hand, we must not behave as though nothing has happened. In all that we do, we must ensure and make clear that we have a very clear assessment of our goals and ensure that the EU stands behind these goals as a united force.

It is perhaps fitting that we are holding this debate today on the eve of tomorrow's international donors' conference that, as I said, I will preside over with the World Bank and the French and the Czech current and future presidencies.

The European Union will continue to play its role, as we have done throughout this crisis, as a constructive, reliable partner, guided by its values and making a decisive contribution to stability and to peace.

Jean-Pierre Jouyet, *President-in-Office of the Council*. – (FR) Mr President, Commissioner, ladies and gentlemen, first of all I would ask you to excuse me, and I thank Mrs Ferrero-Waldner for having spoken before me, since I have just come from the Conference of Committee Chairmen. Talks went on a little longer than expected owing to this morning's debate, with the President-in-Office of the Council taking the floor and voting time taking place. So please accept my apologies.

As Mrs Ferrero-Waldner pointed out, we are effectively at a crossroads in EU-Russia relations, especially after the Georgian conflict. Following the Extraordinary European Council of 1 September, the Council discussed this on 13 October, as Mrs Ferrero-Waldner said. At that time it stated that, following deployment by the European Union of an independent civilian observer mission in Georgia, troops had withdrawn from the areas adjacent to South Ossetia and Abkhazia. This marked an essential additional step in the implementation of the agreements of 12 August and 8 September, concluded with the mediation of the European Union, with regard to the independence, sovereignty and territorial integrity of Georgia – as I have already had the chance to tell your Committee on Foreign Affairs on several occasions.

The European Union will continue to call on the parties to pursue implementation of their commitments in the framework of the discussions provided for in the agreements of 12 August and 8 September of this year.

You will be aware that these talks began in Geneva on 15 October under the auspices of the European Union, the United Nations and the OSCE. For the preparation and conducting of these negotiations, we have a Special Representative for the crisis in Georgia, Pierre Morel, who has been doing an excellent job. The first meeting, held on 15 October, enabled the parties concerned to meet directly.

Obviously, it is all going to take a long time. It is a lengthy process, but, after all, when we remember what the usual peace processes consist of, because we recall the situation in the Balkans, the fact that there has been a meeting enabling all parties to meet directly itself marks an important stage, even though we know that the path will certainly be long, as I said.

The next meeting in the process will be held in Geneva on 18 November. We are hoping that the parties will commit to finding a pragmatic solution for continuing the discussions, which should allow all the outstanding issues to be dealt with, in particular arrangements for security and stability, including in the upper Kodori Valley and in the Akhgori region, as well as, of course, the pressing matter of displaced persons.

The Union is determined to maintain its commitment to the process of resolving the conflicts in Georgia and reach a comprehensive settlement based on the principles of international law.

For the moment, more generally, the European Council has asked the Commission and the Council to carry out a full and thorough appraisal of EU-Russia relations with a view to the next Summit scheduled for 14 November. As the President-in-Office of the Council, President Sarkozy, said this morning, it is essential to talk to Russia, and it is in our interest, as relations with Russia are so important.

Mrs Ferrero-Waldner reminded us that it is an essential partnership: the European Union and Russia are interdependent, and clearly it is also through dialogue that we can ensure that the human rights situation improves in Russia and the region. It is in our interest to call on Russia to pursue the cooperation which both parties need.

I would remind you that we need Russia in order to face global challenges, such as the fight against terrorism, climate change or the proliferation of weapons of mass destruction. The European Union has made this choice, and we believe that it is in Russia's interest to make this choice, and this is why we truly wish to continue this dialogue.

The forthcoming Summit of 14 November will provide the opportunity to examine the various dimensions of the relationship which we must have with Russia, and we must pursue a constructive engagement to determine whether Russia hopes to take full advantage of this dialogue. However, we should continue this dialogue, as the President-in-Office of the Council indicated this morning, without compromising the fundamental principles which lie at the heart of European integration.

Dialogue with Russia can only be based on respect for the sovereignty of states, the rule of law and common rules. In this context, Russia's accession to an organisation such as the World Trade Organisation is in our mutual interest. Indeed, it would allow numerous contentious issues, which affect a certain number of Member States, to be settled.

I am thinking of the law on timber exports and Siberian overflight taxes. We also believe, in line with discussions which also took place this morning, that our commitment to closer economic and trade relations with Russia is important. Here too, we must have a zone with Russia which is more clearly defined at economic and trade level, and we must contribute, if possible, to creating a common economic space for the European Union and Russia.

In this respect, we will naturally continue to impress on Russia the importance of transparency, reciprocity and non-discrimination in the energy field. This also holds true in a broader sense for the issue of investments insofar as European Union companies operating in Russia are often faced with real problems which currently have no satisfactory solution.

It is also clear that during the Summit we should discuss the impact of the financial crisis with Russia. This is a new issue, and an important one for the European Union. It is also important for Russia, for investment policies and for EU-Russia trade policies.

We shall also reiterate, as I already mentioned, our concerns over meeting commitments on human rights, democracy and the rule of law. At international level, we shall tackle all the cooperation issues regarding our common neighbourhood and, of course, those of current interest following the Georgian conflict. We shall, however, also tackle international issues of mutual interest, such as the Middle East, Iran and Afghanistan.

In conclusion, I would like to say that it is in our interests to continue dialogue with Russia, indeed to strengthen it. We believe that this is the only voice which will allow Russia to make progress and ensure that we have a future based on increasingly shared values. We must learn from what happened in Georgia and strive to build constructive, balanced relations with Russia, and try to construct a long-term strategic partnership with this country. Far from moving us away from this goal, the Georgian conflict must, on the contrary, strengthen it in the context, once again, of what the European Union's identity represents with respect to other partners who may not always have the same interests as ours in their relations with Russia.

José Ignacio Salafranca Sánchez-Neyra, *on behalf of the PPE-DE Group*. – (ES) Mr President, I should like to start my speech by citing a few words that the President-in-Office, Mr Sarkozy, said during the debate this morning. He said that the European Union could not be complicit in a new Cold War and that it could not irresponsibly feed a rise in tension leading to a crisis between us and Russia. Russia is in fact being urged to be a positive and constructive partner of the European Union due to its strategic importance, its natural resources, its military and nuclear power, the level of trade that we have with Russia – as recalled by the Commissioner – and also simply because it is the EU's main energy supplier.

However, we have set ourselves up not only as an economic and commercial Union but also as a Union of values. We cannot therefore pick and choose these values according to who is most powerful or important.

I believe that values such as freedom, respect for democratic values, human rights and the sovereignty and territorial integrity of states are values that must be taken into account. We cannot look the other way and pretend that nothing happened this summer, when in fact we witnessed the invasion and subsequent occupation by force of a sovereign state.

We must strengthen our neighbourhood policy and be consistent with the values that we advocate.

There are still many things that must happen: the evaluation being carried out by the European Commissioner and her departments in the Commission, the Geneva talks, and the Donors' Conference which will be held this week in Brussels, all of which are important in my view.

I want to end by once again citing the President-in-Office of the Council, who said that the European Union must speak with one firm voice. We will not be able to speak with one firm voice – if fact we will instead show signs of weakness – if, at the next Summit to be held in Nice on 14 November, the European Union starts the negotiations with a view to concluding an agreement or partnership with Russia without that country fully complying with and respecting the agreements that it signed with the European Union on 12 August and 8 September.

Jan Marinus Wiersma, *on behalf of the PSE Group*. – (NL) Mr President, like Mr Salafranca, I should like to pick up on what President Sarkozy stated this morning: we have to try to solve the problems with Russia via dialogue rather than confrontation. We have to try to develop relationships in Europe that are based on partnership, but also on the principle of equality of partners, without, of course, forgetting to sound a critical note where needed.

In this connection, we must look for solutions to the problems surrounding Georgia, and we must work with Russia on a number of crucial issues that have already been mentioned, international issues, like the future of the non-proliferation regime, the problems surrounding Iran and the follow-up to Kyoto. Our own environmental ambitions cannot prove successful unless we can reach agreement on them with other key partners in the world.

Cooperation must also be sought with Russia with regard to the financial crisis and the role of Russia in the G8. The financial crisis demonstrates yet again how much we rely on Russia, but also how much Russia relies on the international economy. The fact that the world has changed completely, compared to 30 or 40 years ago, is another reason why returning to cold-war tactics is not an option.

Secondly, we would like to applaud the French Presidency's conduct and the Union's unanimity in the way it has addressed the conflict surrounding Georgia. It is of key importance that we should hold fast to this unanimity in the weeks and months to come as well. This is particularly important in the talks that have got underway in Geneva and that will be continued in November. Understandably, there was no immediate agreement about a formula to solve the Georgian issue.

This issue might, in fact, be difficult to solve, because there is a fundamental difference of opinion between us and Russia. In our view, Georgia's territorial integrity should be maintained, and the fact that South Ossetia and Abkhazia have been recognised as independent countries is unacceptable to us. The discussions on these matters are set to be tough.

It may, in this regard, be important to remind ourselves of the need to have a wider debate about the safety structures and regulations that are in place, under the name of the Helsinki process, in Europe too. The Russians have made proposals to change and improve this, but the Council and Commission may have some thoughts on the matter too.

What is important in the framework of this discussion is that Russia be told in no uncertain terms that we do not want come to blows about spheres of influence and that we do not accept them, not even in the regions that border both Russia and the European Union. I am not in favour of extending NATO in that direction.

What I am in favour of, though, is active EU policy to guarantee the independence of countries like Ukraine, Georgia and Moldova, and I hope that the proposals which the Commission will be moving this autumn surrounding eastern partnership will help strengthen the ties with the said neighbouring countries, so that we can help them to guarantee their own development and their own independence.

Annemie Neyts-Uyttebroeck, *on behalf of the ALDE Group*. – (FR) Mr President, Mr Jouyet, Mrs Ferrero-Waldner, firstly if I may, I would like to recommend a good book for your Christmas holidays: the wonderful biography of the Countess of Ségur. You will know that the real name of the Countess of Ségur was Sophie Rostopchine – yes, Rostopchine – and that her father was the man who put a stop to Emperor Napoleon's incursion into Russia. The book provides a marvellous description of how it all happened. Some of the lessons it teaches us are still valid today. In any case, this was just an introduction.

First of all, I would like to clarify that this morning, when I took the floor, I by no means wished to suggest that the EU-Moscow Summit should not take place. Of course not. It has to take place. Since I only had one and a half minutes perhaps I did not make myself understood. What I meant to say is that I had deduced from the Council conclusions that it had already been decided to pursue, to reopen partnership negotiations, association treaty negotiations, and that whatever happens, it matters little how the Summit of 14 November, which is likely to be difficult, pans out, as in any event talks would resume, and the evaluation of the Commission and the Council would naturally be taken into account, and quite rightly so. In fact, I wanted this matter to be clarified a little better.

So, I do not know whether Mr Sarkozy misunderstood me deliberately or not. In any case, he did not answer me, but I would appreciate an answer, Mr Jouyet, because personally I would be sorry if it had already been decided to reopen negotiations in any event. I fully support dialogue with Russia. Clearly, it is a great country. It is a great country which is very proud, and a great country which does not show much pity and does not, in my view, appreciate others putting themselves in a weak position.

So, to possibly already have decided that, come what may, negotiations will be reopened, even before the Summit has taken place, does not show the greatest diplomatic skill. Anyway I have run out of time, so above all I hope, Mr Jouyet, that you will give me a clear answer, one way or the other, and I will be most grateful.

Bart Staes, *on behalf of the Verts/ALE Group*. – (NL) Mr President, Mr Jouyet, Mrs Ferrero-Waldner, ladies and gentlemen, a great deal can be said about the conflict between Russia and Georgia, and it is certainly a determining factor in our relationship with Russia today.

What can be said in any event is that both Russia and Georgia have failed. It is unacceptable for countries to use military means to solve their conflicts. There is a theory in political science that says that, in principle, democratic countries solve their conflicts in a democratic manner, via dialogue, and not by military means. As this was not the case here, there is definitely something wrong with the democracy in both Georgia and Russia. Otherwise, things would not have come to pass as they ultimately did.

Today's debate focuses on our relationship with Russia. Russia's situation remains very critical to say the least in the areas of democracy, respect for human rights, the freedom of press and freedom of association, the situation in Chechnya – which may no longer be headline news, but anyone who closely follows that country knows that the situation in Chechnya is still very critical – and also in terms of the problems involved in the preparations for the Winter Olympics in Sochi. These are all issues that cause many problems.

There is, in my view, as has already been stated, a mutual interdependence between the European Union and Russia. That is true. Each time we talk about mutual interdependence and discuss the said problems, though, we should, to my mind, bring up those other values, the values of a democracy, the typically European values, other ways of solving conflicts, the pursuit of more democracy and the use of soft-power instruments.

The Group of the Greens/European Free Alliance are all for dialogue, which, in my opinion, is one of the hallmarks of the European Union. The European Union is an extreme exercise in solving conflicts and conflict prevention in a peaceful manner. This is why we, provided all the conditions have been met and provided that the Council, the Commission and the European Parliament make a firm stand for the said values, can

enter into dialogue with Russia, including with regard to the partnership and cooperation agreements, with peace of mind, determination and with the will to succeed.

Adam Bielan, *on behalf of the UEN Group*. – (PL) Mr President, the actions of the Russian armed forces in Georgia are a particularly relevant test of Russia's current intentions. They also put the European Union's political power and fundamental principles of operation to the test. Unfortunately, the leaders of several Member States are behaving as if Russia's invasion of sovereign democratic Georgia had never taken place.

Ladies and gentlemen, Russia is once again humiliating the European Union by claiming to have withdrawn its forces to their positions prior to the invasion. How, then, are we to account for the fact that Georgian villages located in the region of South Ossetia and its vicinity are constantly being subjected to brutal ethnic cleansing? How are we to account for the fact that the two hundred observers dispatched by the Union are being denied access to the scenes of conflict? Such a situation is light years removed from a return to the *status quo* of 7 August, which is a condition for attending talks with Russia. One of the purposes of the Russian invasion of Georgia was to terrorise neighbouring countries in the region, so as to torpedo the *Nabucco* project, which is crucial to the Union's energy security. It appears that no thought is currently being given to the gas and oil transport corridor running through Georgia. That corridor is vital for us and is the only one not under the Kremlin's control.

I should also like to recall that there are a great many holders of Russian passports living in neighbouring countries to the Union. I could mention Ukraine, Belarus and the Baltic States by way of example. We must therefore bear in mind that at any moment the Kremlin could claim that those people are in need of its so-called protection. That is exactly what happened in South Ossetia. Once again, I must emphasise that Member States of the Union and their nearest neighbours are under direct threat of Russian aggression.

We are currently confronted with a situation in which Russia, in addition to engaging in energy blackmail, has gone so far as to add the threat of military action against Member States of the Union and their nearest neighbours to its arsenal. The present situation in Georgia is an obvious example. There can be no question of a partnership between the Union and Russia in such circumstances. Attendance at talks during the forthcoming Nice Summit on 14 November would show once again that the European Union's leaders are totally incapable of coping with Russia.

Esko Seppänen, *on behalf of the GUE/NGL Group*. – (FI) Mr President, Commissioner, the stock markets in the United States of America have crashed, the stock markets in the Member States of the European Union have crashed, and the stock markets in Russia have crashed. We are all in the same crisis caused by turbocapitalism. Despite that, some EU countries, taking their lead from the Baltic counties, whose presidents were educated in the United States, and especially Poland, want to isolate Russia from the European Community. First the brakes were applied to the start of the talks on the Partnership Agreement, and today the reason is Georgia's and Abkhazia's conflict with Russia.

In many Western countries the media has presented an image of Russia as the attacker. That is the wrong image. Shakhmurov's army attacked and so triggered the global conflict. He should not be rewarded for that. In these matters the Group of the European People's Party (Christian Democrats) and European Democrats in the European Parliament is, unfortunately, a prisoner of its own extremist elements.

Of course, Russia gained a military victory over Shakhmurov's army, an army that was trained by the Americans and Israelis and armed by the Ukrainians. It was a political overreaction to recognise South Ossetia's and Abkhazia's independence. Now Russia is taking the political consequences. Our group, however, does not believe that isolating Russia should be one of them. European capitalism needs Russia's natural resources, and Russia needs Europe's political experience of democracy, civil freedoms and the rule of law.

These goals will not be realised through political violence but through cooperation and dialogue. That is probably what the talks going on today in Helsinki between Chiefs of Staff General Mike Mullen and Nikolai Makarov are about. The EU, furthermore, should not boycott the dialogue.

We wish the positive attempts proposed by the country to hold the Presidency every success.

Paul Marie Coûteaux, *on behalf of the IND/DEM Group*. – (FR) Mr President, Mr Jouyet, it is time for contrition – this appears to be the mood today – or at least for rethinking dogmas and instinctive reactions, and moreover, I am grateful to Mr Sarkozy for giving, this morning, an example of this which seemed sincere. Therefore, let us also rethink our old, very old mistrust when it comes to Russia, or rather mistrust of this country which is, whether we like it or not, one of our partners.

From this point of view, I also recommend – as Mrs Neyts-Uyttebroeck did – reading a biography of the Countess of Ségur, in particular the one by Mrs Strich, published by the excellent Bartillat, and you will see the true importance which should be placed on a word which you said twice, if I heard you correctly: ‘interdependence’.

Yes, clearly we are interdependent, but not just in terms of fighting terrorism or weapons of mass destruction. We are interdependent from all points of view: with regard to energy, to state the obvious, but also with regard to research, industry and politics, in a multi-faceted manner, of course.

Let us consider what the face of Europe in the 21st century will be like, depending on whether our nations will still be involved with promoting the immense riches of Siberia. So please, let us stop espousing disputes which are not our own, but those of a third power with an interest in dividing Europe in order to dominate it. Believe me, in this regard I am considering Europe’s interest, if you will accept that French sovereigntists also are concerned by this matter.

Jana Bobošíková (NI). – (CS) Ladies and gentlemen, I consider the Council’s decision not to renew talks with Russia on a strategic partnership to be foolish, short-sighted and detrimental to the citizens of the Union. We should realise that this is a partner Europe depends on for supplies of raw materials. It is not just a question of gas and oil. Without titanium from Russia, for example, it would not be possible to produce a single airbus. What is even worse, the current European Russo phobia is based not on the facts but on the way they have been presented through politics and the media. We should be aware that the conflict in the Caucasus was started by Georgia with no regard for the outcome, and not by Russia. Moreover, I know of no concrete reason why the independence of South Ossetia and Abchazia should not be respected, since a number of members of the Union welcomed the independence of Kosovo immediately and with great jubilation. I am delighted that Václav Klaus, the president of the Czech Republic, the country I represent here, described the situation in realistic terms when he said that it was not a question of Georgia on the side of good and Russia on the side of evil. Unfortunately he stood alone. If the Union is serious about being a strategic partner and a global player it must acknowledge Russia on equal terms. The politics of confrontation will benefit no-one.

Elmar Brok (PPE-DE). – (DE) Mr President, Commissioner, Mr President-in-Office of the Council, one of the previous speakers stated that the principle behind all of this must be ‘no force’. No force from either side, as enshrined in international law. We must insist that international law is upheld, including territorial integrity, non-intervention in the internal affairs of another state, no exertion of influence and adherence to the agreements of August and September. I hope that this will continue to apply in Geneva.

We must continue to ensure that the European Council decisions of 1 September and the resolutions negotiated by the Commission concerning association agreements, free trade agreements and the European Economic Area Plus, or whatever it is called, are observed, so that the individual countries can be strengthened, stabilised and involved without provocation to other countries and the necessary work can be carried out at the donor conference.

At the same time we must give the Eastern European Member States a feeling of security and solidarity within the European Union and NATO. I believe that this is also important for psychological reasons.

Commissioner, I am grateful for the fact that you have referred to our mutual economic interdependence, which is the best security policy we could have. However, the more this interdependence is strengthened and the more it becomes part of the spheres of interest of both parties and these become linked together, the more difficult it will be for us to extract ourselves from this dependence using non-peaceful means. In this case we must lead the way. We should also support any moves with legal obligations in which Russia is included, together with the WTO and partnership agreements with the corresponding obligations. When our economic interdependency is underpinned with legal and contractual measures in this way, we will be able to make progress.

However, this must be based on our interests. Energy security is one point and in this area there are challenges to be faced throughout the world. Not without reason have the 5+1 met once again on the subject of Iran and then moved on to their normal work. This is also happening on other levels. I have heard that a committee of the European Parliament has once again visited Moscow. Iran, the Middle East, climate change, terrorism and many other issues: Russia is an essential part of all of this.

We must be open to discussions. A security partnership with Russia will only function if it is not at the expense of existing alliances and of keeping the USA out of Europe. This is a condition of a partnership of this kind.

Reino Paasilinna (PSE). - (FI) Mr President, Commissioner, ladies and gentlemen, both sides did wrong and broke international agreements. Now it is a matter of how quickly we can move on from here and restore stability to the situation.

For that we also need cooperation with Russia. That is a basic requirement. In fact many of Russia's goals are the same as ours in the Treaty of Lisbon. President Medvedev has said that there is a need for institutional reforms. That is true. The second point he makes is reforms in the infrastructure. A third is investment. These are things we know about. Then there is innovation, something we know a lot more about, if we may say so. These are things we have in common. They want to have a role in solving the international financial crisis, and they have little capital to do that. They therefore do not want to be cut off, that is obvious, and we must respond through cooperation, which will enable us to steer Russia in the direction we want.

Russia does not want to speak about ideology, but today the European Union does. We want it to have democracy; that is our ideology. Russia wants practical solutions, and both of these goals are probably worth harmonising and this way we will make progress. We therefore still need one 'I', that is to say integration, following on from Medvedev's four 'I's, so we can also influence Russia's future successfully from our own standpoint and increase stability.

Janusz Onyszkiewicz (ALDE). - (PL) In discussion of the conflict between Russia and Georgia, we tend to overlook what happened in Abkhazia rather than in Ossetia. In fact, something very significant happened in Abkhazia. The Russians do have some grounds for arguing that their action, albeit disproportionate, was in response to an effort to resolve the problem of Ossetia by military means. Where Abkhazia is concerned, however, nothing of the sort happened. The mass incursion by Russian troops, the appearance of the fleet along the Georgian coast, and the military conquest of the territory controlled by the Georgian authorities all demonstrate that Russia is prepared to use its fighting forces on the pretext of taking preventive action. Accordingly, such action must be classed amongst those justified solely by a one-sided assessment of foreign policy resources.

In his statement, President Medvedev returned to the notion of a common area of security stretching from Vancouver to Vladivostok. I put it to you, ladies and gentlemen, how can one rely on joint action in this common area of security if Russia demonstrates that it is itself a source of threats? Regarding the other issues President Medvedev would like to see included in the potential agreement, we should recall that they are all already contained in the agreement currently in force. This agreement was adopted in 1990 and is entitled the Paris Charter for a New Europe. Of course, perhaps what is really at issue here is not dialogue but the right of veto in relation to various actions NATO may undertake.

(Applause)

Rebecca Harms (Verts/ALE). - (DE) Mr President, I should like to refer to what Mr Staes said in his speech about other conflicts that are still going on in the Caucasus.

If we now resume talks with Russia – something we are in favour of – it is, in our opinion, very important that we do not forget that there is also Karabakh, Chechnya, Moldova und Transnistria and that we will also have to cope with a very difficult dispute in Ukraine in the next decade in relation to the Crimea. The European Union must not make the same mistake it made prior to the war in Georgia by not taking this conflict seriously enough.

In our opinion, all these conflicts must, therefore, be dealt with. The Caucasus and other neighbouring regions are very important regions. They all lie within Europe and must therefore be dealt with by Europe, by the European Union, with a much higher priority –and we should do this in cooperation with Russia.

Whether or not we can solve the conflicts there in a satisfactory way, I am not sure at present, but I am actually quite optimistic that this feeling of cold peace that has crept through Europe – and indeed through the whole of the European Union – and that has also caused alarm in Russia, was sufficient warning and that the various sides will now return to negotiations in greater earnest.

From the point of view of the West, it is also very interesting that in the financial crisis Russia is saving whole states in order to manage this crisis itself. In the age of globalisation, the interwoven nature of our economies is far more extensive than we discussed previously in relation to energy.

If we were to find a better tone and if the West were perhaps not always to insist that its system has been the victorious system since the end of the 1980s, we may arrive at a better position from which to deal with the dispute.

Konrad Szymański (UEN). - (PL) Mr President, Russia has perhaps benefited the most from the financial crisis. Recently, our attention has shifted away noticeably from Russia's aggression towards Georgia to the problems facing our banks. This shift was obvious during our debate this morning.

However, we must not forget that Russia currently still has more than 7 000 troops stationed in Ossetia and Abkhazia. This is more than three times the number of soldiers stationed there on 7 August, and Russia is not, therefore, respecting the peace agreement in the way we would wish her to. This means that relations between the European Union and Russia are still at an impasse. It also means that we currently have no reason to resume political dialogue within the framework of joint European and Russian bodies; there is no basis for reopening negotiations regarding the partnership agreement. Finally, it is with disappointment that we note the position of certain Member States which suggest that Russian aggression towards Georgia can be ignored, and that the matter is simply a question of time. This passive policy may turn out to be extremely costly for European Union foreign policy as a whole.

Vittorio Agnoletto (GUE/NGL). - (IT) Mr President, ladies and gentlemen, we have to acknowledge that the Council has managed relations with Russia in a more balanced manner than the resolution adopted by the European Parliament on events in Georgia. In that resolution, all the accusations were levelled at Russia alone, and even the attack carried out by Georgia on 7 and 8 August was justified.

If, however, we really care about stabilising peace, then we must say a clear 'no' to any accession by Georgia or Ukraine to NATO. We know that this would only serve to destabilise the entire region and greatly increase the likelihood of further wars. Negotiations with Russia should be resumed not only out of economic interest, but also because, until things are discussed, they do not go away, and this is always the best path.

At the same time, we must be completely firm on human rights, freedom of information and political freedoms, which are certainly not the norm in Russia. The best way to be able to protect rights is not to be held hostage to energy; but in order to move away from our dependency on Russia we need not only to diversify the sources of our energy supplies but also to invest in alternative clean energies.

I have one final observation to make. I have heard it said, both by the Commission and the Council, that they have enormous confidence in Russia joining the World Trade Organization. I would like to remind you that you made the same comments when China was joining the WTO, and we have seen the terrible results China's accession has had on the European economy and European workers. Perhaps, then, we should look elsewhere for solutions: perhaps it is actually the entire mechanism of the World Trade Organization that we ought to call into question.

Gerard Batten (IND/DEM). - Mr President, the Kremlin has got all it wanted from its bargain with President Sarkozy. President Sarkozy's 'peace in our time' deal gave them what they wanted, and the diplomatic way out. Since the Second World War, the fundamental principle in international relations was that aggression must not pay, or that political concessions should not be made to aggressors, but Moscow has been victorious and NATO humiliated, with the EU playing both sides.

As an institution, the European Union is simply not on the democratic Western side in the new Cold War. The EU does not belong to the free world. It is anti-democratic, undemocratic and imperialistic. Institutionally, it is inclined to side with other anti-democratic empires, not free nations. The EU is not governed by law but by ideology.

Unfortunately, European governments – as good Europeans – will choose to follow the EU's disastrous position towards Russia, rather than their own collective national interest.

Sylwester Chruszcz (NI). - (PL) Together with the United States, the Russian Federation is one of the European Union's main partners. Russia is a strategic partner and supplier of raw materials for energy production to the Member States of the European Union, including my own country, Poland. Cooperation with Russia is simply a fact, and it is in the interest of both sides that this cooperation succeeds. Georgia's attack on South Ossetia, and the subsequent escalation of the conflict, have seriously threatened relations between Brussels and Moscow.

However, this does not mean that we should, as some European politicians would wish, turn our backs on Russia or even suspend all relations with her. Russia has made considerable efforts over the last twenty years to join the circle of democratic European states and, although undoubtedly much still needs to be achieved, there is also not the slightest doubt that the Russian population strongly supports the current and former

Presidents of the Russian Federation. I hope that, in spite of certain obstacles, the European Union and Russia will continue their successful cooperation, as it is in the interests of both parties.

IN THE CHAIR: MR MARTÍNEZ MARTÍNEZ

Vice-President

Ria Oomen-Ruijten (PPE-DE). - (NL) Mr President, Mr Jouyet, Mrs Ferrero-Waldner, ladies and gentlemen, there is no denying that relations with Russia have changed recently. Let me add that isolating Russia is not, in my view, an option. At the same time, it is difficult to talk about a partnership if the Member States have such a high level of distrust towards Russia.

What I, as chairman of the delegation for relations with Russia, do think, though, is that we should keep the dialogue on track. This is what the Council and Commission are doing, and this is also what we as Parliament should be doing. In fact, this has been the topic of a very heated discussion in our Russia Delegation, in connection with the Moscow visit we have planned for the end of this week. The outcome of this discussion was that we should continue the dialogue, but that we should tell our partners that it is not business as usual. We must be frank in sharing this and try to engage in constructive consultation.

We expect a great deal more from Russia. The withdrawal of the troops from the buffer zone was only a first step. Tension can only ease if the number of troops in Abkhazia and South Ossetia is reduced or if these soldiers are withdrawn altogether. Although this is not set out word for word in the agreements, it does fit in with the spirit of the agreements, and I should like to hear Mr Jouyet's opinion on this.

The EU, and particularly the Presidency, has in recent months been incredibly explicit and decisive. This, in my view, is something that must be sustained.

I am left with three questions. First of all, with regard to the run-up to the summit: which specific signals and steps do you deem necessary in order to resume negotiations? Secondly, how will you involve Parliament in this? Thirdly, I should like to put to you the following. Russia is not taking part in the Treaty on cluster bombs that is being signed in Oslo. It now transpires that the Dutch journalist was killed by a Russian cluster bomb. How, Mrs Ferrero-Waldner, can we involve Russia in this new Treaty that is being signed in Oslo after all?

Csaba Sándor Tabajdi (PSE). - (HU) Mr President, the French Presidency played an exemplary role in handling the crisis in Georgia. We know how to handle crises but are not yet able to prevent them. Allow me to remind the House that there was a Minister of Foreign Affairs in the EU, Mr Steinmeier, the German Foreign Minister, who brought forward a very serious settlement plan which was accepted by all sides except Tbilisi. This is a historical fact. This is regrettable, for this could have even forestalled the war. I am convinced that the Steinmeier plan could still serve as the main basis for a negotiated settlement, although the situation is much more difficult today, given that the Abkhazians and South Ossetians now take an entirely different stance. Let me add right away that negotiations cannot be conducted without the involvement of the two peoples involved, the Abkhazians and South Ossetians. Their opinion is certainly also crucial, as regards their relations with Russia.

To be sure, we cannot just carry on from where we were. Russia remains a strategic partner but while we cannot keep her isolated, our trust has been undermined. Russia has to learn from these events, as do we, and specifically, we must realize why Russia is much more tolerant of Ukraine and Georgia moving closer to the EU than of their moving closer to NATO. This is a lesson that both American policy and we must learn if we want to normalise the strategic partnership between Russia and the EU. Thank you for your attention.

Henrik Lax (ALDE). - (SV) Mr President, Russia's attack on Georgia is not an isolated incident. What we are seeing is a paradigm shift in Russia's relations with its neighbouring states – a paradigm shift that may have serious consequences if the EU does not act wisely. In truth we are at a crossroads, as Secretary of State Mr Jouyet has said. I am concerned because a large number of EU leaders are already talking in favour of a return to business as usual in the EU's relations with Russia. They are acting as if the war in Georgia had not happened, but Russian troops, as many as 8 000 men, are still in the occupied areas. Ethnic cleansing is still going on.

The EU must send a clear message and strongly condemn Russia's imperialistic policy, whereby it thinks it has the right to protect 'its' citizens by occupying sovereign states. Today Georgia, tomorrow Ukraine and Belarus. I will be repeating this at the meeting with the Russian delegation in Moscow on Friday. If the EU instigates unconditional agreement negotiations with Russia under the premises that exist today, then we

are approving Russia's action in Georgia and giving Russia authority in blank to continue its imperialistic policy. The EU has a duty to help the victims, not the attackers. I would like to congratulate Commissioner Ferrero-Waldner on her proposal of EUR 500 million and I hope that the pledging conference is successful tomorrow.

Tatjana Ždanoka (Verts/ALE). - Mr President, I speak today not only as a representative of my political group and a member of the EU-Russia delegation but also as the only native Russian-speaking Member of this Parliament.

Some politicians forget that Russia is actually Europe's biggest country by population and Russian speakers are the European Union's biggest minority group – up to 10 million people. Unfortunately, many of those who speak of Russia's resources think simply of raw materials and forget the human dimension. We must remember that people are the basis for EU-Russia relations. The European Union's Russian speakers favour relations between the EU and Russia based on a strategic partnership. We support not just an EU-Russia common market, as President Sarkozy said today, but also the freer movement of people. We support human rights – also mentioned by Mr Sarkozy – but we oppose the double standards whereby the European Union's institutions turn a blind eye to the violations of the rights of Russian speakers in the Baltic States.

Girts Valdis Kristovskis (UEN). – (LV) Are they competitors or partners, cunning players or dependent simpletons? I am talking about relations between Western democracy and Russian autocracy. These are reminiscent of a game of cat and mouse. Comically, two months after the military action in Georgia Mr Medvedev is proposing a new European security agreement. Mr Sarkozy is very obliging, and does not see that Russia has increased its military presence in South Ossetia and Abkhazia. Are there grounds for trusting Russia? The Kosovo process and the Georgian conflict might have been more instructive. What is causing this optimism among Europe's leaders? Russia will successfully exploit Western credulity, it craves revenge against the West wherever that is possible. The policy on foreigners declared by Russia in Ossetia, Abkhazia and Ukraine is a significant risk; a struggle is taking place in cyberspace. Not for nothing did the people of Russia and their mass media, including in the Baltic states, support Russia's invasion of Georgia. At this time we ought not to rush into resuming comprehensive talks with Russia. First of all Russia must implement the Caucasus peace plan.

Roberto Fiore (NI). - (IT) Mr President, ladies and gentlemen, I would like to get rid of the idea that Russia attacked Georgia. I think that we ought to adopt the proposal put forward by the Russians, who asked at the time for a tribunal to decide who really bore the responsibility for starting the war.

Having said that, at a time when creative accounting has collapsed I believe that it is essential to think about the real economy that awaits us in the future, which is made up of raw materials, land and labour, and now, for Europe, effectively includes Russia. I would also like to say that this is not just an economic fact: there is a western Europe based around Catholicism that could join up with an eastern Europe based around Orthodoxy, and this would effectively be a union of Europe's two lungs – its two spiritual lungs.

It is thus in Europe's interests to be with Russia and it is in Russia's interests to be with Europe.

Zbigniew Zaleski (PPE-DE). – (FR) Minister, after what Mr Sarkozy said this morning about Europe having to speak with a strong voice, I have a few comments to make in Polish.

- (PL) Recently, the relationship with Russia was different. Europe was divided; it did not speak with one voice. Commissioner Mandelson said that the issue of the embargo on Polish meat was a bilateral matter. This is not the kind of Europe I want and there is no place for such a Europe here.

The crisis in Georgia temporarily opened Western Europe's eyes, especially those of our socialist colleagues, to what Russia can be like. Namely, it can be attractive, fascinating, but also unpredictable, not necessarily respectful of agreements it has signed, and its attitude towards membership of the WTO can hardly be called enthusiastic. Russia wants to maintain its own rules, which give it a free hand to make decisions from which it benefits. It will not be possible to achieve peaceful agreements, which we need, if this fact is not understood. Russia is our closest neighbour, a country with great potential and cultural heritage, a proud nation; proud of its country from the Baltic to the Bering Strait. We need a dialogue with Russia which includes respect for the Russian people, but also involves having a determined, joint position vis-à-vis its leaders, namely Mr Medvedev and Mr Putin, and not living in fear that the Russians might turn off the gas taps at any time.

To a large extent, the Russian people's standard of living depends on importing goods from the European Union to meet their needs. This fact should give our leaders strength and a feeling of worth in our negotiations

with a strong partner. Thus, rather than crawling on our knees we should instead sit as partners around the negotiating table at the Kremlin. Finally, *Signora comisaria*, the Presidents-in-Office of the Council stress that Russia's withdrawal from the buffer zone has been a success, and that this action was a positive sign. Instead, perhaps it should be viewed as a backwards step, one which only appears to make concessions, as Russia has not withdrawn from Ossetia or Abkhazia and has no intention of doing so. Let us be realistic and try to predict their next move.

Hannes Swoboda (PSE). – (DE) Mr President, Mr President-in-Office of the Council, Commissioner, there are many differences between the United States and Russia. Above all, I would like to see as free a presidential election in Russia as I would at least expect in the US today.

However, great powers also have certain similarities, and I hope that many of you may soon get to see the programme broadcast by the channel ARTE on the portrait of Henry Kissinger. With regard to the intervention in Chile and the continued interventions in Latin America, Kissinger and General Alexander Haig said the following: if the United States is disturbed by something, it will intervene and bring about a regime change. They declared themselves to be fully justified in taking this action. We can perhaps say something similar about Russia, although probably in fewer cases than the United States.

Both great powers are also somewhat at odds with international law. The interventions in Latin America, in particular, were very definitely contrary to international law. The war in Iraq was clearly against international law, and Russia's actions in Abkhazia and South Ossetia were also contrary to international law. In the case of the Kosovo problem, we will have to wait and see whether the International Court of Justice determines the action to have been contrary to international law.

In both cases, Mr Zaleski – and I am saying this because I hold you in high regard – you were absolutely right when you said that this is a fascinating and strong country, but unpredictable. This applies as much to the US as to Russia, and we must respond to this.

In both cases, however, I think it would be wrong to break off the talks. After the clear violation of international law in the war with Iraq – and it was indeed a huge violation where thousands of people were killed – we did not say 'now we will break off talks with the US'. We did, of course, continue discussions with this country.

I am not comparing the internal structure of the US and Russia, only their behaviour at international level. President Sarkozy is absolutely right – and I would like to thank him for his pragmatic, clear policy: we must, emphatically, engage in this dialogue.

The second point I would like to make is that we must strengthen the neighbouring countries, particularly as they are our neighbours too. We must give the Ukraine and Georgia strength so that they can also deal with their difficult neighbour, Russia. However, we must make sure that our action is rational, and the action taken by Mr Saakashvili was not rational. The behaviour of Mr Juschtschenko towards Mrs Timoshenko, for example, is not rational either. We must ensure that our neighbours take rational action. If they do that and have our strength behind them, then they will also resist Russia, which is once again trying to play the great power.

Andrzej Wielowieyski (ALDE). – (FR) Mr President, Commissioner, Minister, I am very grateful to Mr Swoboda for not wishing to break off dialogue with the United States, but let us return to the matter at hand. It is clear that both parties, that is, the European Union and Russia, need loyal and effective cooperation, in particular in the area of energy.

Without our technological assistance, Russia would certainly not in reality be able to benefit from its resources. It is clear too, however, that we need the common and effective energy policy that we are currently lacking, as has already been emphasised during this debate.

Clearly, when it comes to establishing peace in the Caucasus, a common policy is also necessary. Implementation of the agreements concluded by President Sarkozy and President Medvedev, including with regard to the withdrawal of Russian troops in Abkhazia and Ossetia – the number of which has now tripled in comparison with three months ago – is necessary, precisely in order to provide essential proof of good will and of loyal and credible cooperation.

The responsibility of the Russians with regard to the situation in the Caucasian Republic is obvious. The Russian military presence over the past 16 years has therefore not served to ease the conflicts; rather, it has been an instrument of the imperialist policy of that great country, which had been trying to benefit from these conflicts. It follows that, as some of my fellow Members have already said, the reduction in the number

of Russian soldiers in Abkhazia and Ossetia to the level before the conflict in August should clear the way for effective negotiations.

Hanna Foltyn-Kubicka (UEN). - (PL) Mr President, when President Sarkozy spoke in this house today, he said that Russia has met its obligations regarding the withdrawal of its troops to their position before 7 August, and he called for normal relations with Russia to be resumed. Such action would be a grave mistake and would, *de facto*, ensure the government of the Russian Federation a feeling of complete impunity.

I would like to remind you that 8 000 Russian troops are currently stationed in Abkhazia and South Ossetia, including in places where they were present before the start of the conflict. Brutal ethnic cleansing has taken place in border villages; Abkhazian soldiers have occupied the Georgian-controlled Kodori Gorge. Over 200 European Union observers have yet to gain entry to either of the two republics, which have been recognised by Russia as independent states. It seems to me that this state of affairs is far removed from the situation of 7 August 2008.

There can be no question of a return to normal relations while the Russians continue to disregard their obligations. If the European Union decides to take such a step, it will risk becoming a laughing-stock and will demonstrate that, sooner or later, it will legitimise every action taken by Russia, even the most dangerous.

Bastiaan Belder (IND/DEM). - (NL) Mr President, the EU Member States have, by way of reaction to the unilateral territorial division of Georgia under Russian supervision, not closed ranks. Once again, we have not seen any evidence of a joint, let alone firm, European response to the Kremlin's power machinations. The crucial question therefore remains: what does the Union mean by a strategic partnership with the Russian Federation? In other words, is Moscow really an indispensable partner for Brussels, or am I touching a political nerve in Europe by saying this?

After all, the fact of the matter is that Russia has, to date, sabotaged an effective international answer to the Iranian and North Korean nuclear programmes. At the same time, Moscow has not exactly shown itself to be an indispensable partner in the bloody fight against Islamic terrorism, for example on the Afghan front, either.

Only in the area of energy do the cold numbers suggest there is probably a strategic, even indispensable, partnership between the European Union and Russia: today, the 27 EU Member States rely on Russian oil and gas exports to a level of about 70%. For its own good, though, the EU should run down this considerable dependence as quickly as possible. After all, Moscow admits that its energy reserves will be exhausted in 10 to 15 years' time.

Council and Commission, where is your strategy of energy diversification now? Surely the new Turkmen discovery of gas should galvanise you into action.

Josef Zieleniec (PPE-DE). - (CS) At an extraordinary summit meeting on 1 September, the European Union committed itself to resume negotiations with Russia over a new partnership agreement once Russian units had withdrawn from Georgian territory to their positions of 7 August. In order for the Union to keep its word and to show that it is a consistent partner, the single criterion for starting talks should be an assessment as to whether or not the Russian units are behind their positions of 7 August. Russia has not yet fulfilled this condition. The resumption of talks must not under any circumstances be interpreted as our consent to Russian policy in the Caucasus and the continuing *de facto* blockade on talks over the future arrangements for the region. We must draw a firm line between the resumption of talks and their further continuation.

The agreement on partnership and cooperation is a key document for cementing our relationship with Russia. The new partnership agreement is necessary both to the Union and, I believe, even more so to Russia itself. A new agreement which improves the existing text both qualitatively and quantitatively is a precondition and, at the same time, a reflection of the quality of our relations with the Russian Federation. It is therefore essential to make our position and our values clear during the negotiations. I believe that, following an objective and unanimous assessment showing that Russia has withdrawn to its positions of 7 August, the European Union should commence negotiations, as promised. The continuation of negotiations, however, must be conditional on, at the very least, a clear undertaking from Russia that it will not use force against Georgia or any other of its neighbours and that disputes affecting our shared neighbourhood will be resolved with the agreement of the European Union. The litmus test regarding our continuation of talks with Russia must be the readiness of Russia to find a common approach to solving the problems of the Caucasus, Ukraine and Moldova, rather than proceeding on a unilateral basis with the use of force.

Libor Rouček (PSE). – (CS) Together with the rest of the world, Europe is facing a whole range of serious global problems. These include the spread of nuclear weapons, international terrorism, global warming, unresolved conflicts in the Middle East and Afghanistan, the world financial crisis and many others. The European Union cannot solve any of these alone. The cooperation of other players on the international stage is required, among them Russia. Russia also needs cooperation and dialogue. Russia needs to sell its mineral raw materials, it needs to buy western technology, expertise, consumer goods and many other things. Only then will Russia have a chance to modernise and gradually reform both its economy and its society. Cooperation with Russia will create a common future for the European Union and the Russian Federation. This, however, presupposes dialogue and that means dialogue at all levels, from energy policy to reciprocal investment activities, not forgetting of course dialogue on human and civil rights and democracy.

The decision of the European Union to continue evaluating EU-Russian relations ahead of the forthcoming summit in Nice is in my view correct. The Union has given a clear signal that it is willing to resume talks with Russia on a new partnership and cooperation agreement. The precondition, however, must be that Russia fulfils the agreements of 12 August and 8 September.

István Szent-Iványi (ALDE). – (HU) Mr President, the EU is striving for partnership and cooperation with Russia, but we cannot talk about partnership unless it is based on reciprocity, international law and compliance with agreements. Russia's actions in Georgia destroyed the most vital psychological basis of a partnership: trust. This trust can only be restored if the six-point agreement is implemented in all its details and in its entirety. It is not steps forward or moves in the right direction that are needed but real, total compliance. Russia has to decide at last whether to consider Europe a partner, a rival or an adversary. Moscow needs to know that whatever it decides – whether to consider us partners or adversaries – the future and independence of Ukraine, Georgia and other neighbouring countries are not subject to power deals. Europe can never consent to a new partitioning of the continent, to a new Yalta Agreement. We really want partnership, but one that is built on reciprocity and mutual respect. Thank you.

Laima Liucija Andrikienė (PPE-DE). – Mr President, the Russia-Georgia war and its aftermath point to the political necessity for the European Union to seriously reassess its relations with Russia, as the Commissioner rightly pointed out today. In addition, 'business as usual' should be suspended until Europe gets clear answers from Russia to some very important questions.

It needs to be said that Europe must find a way to speak to Russia with a new, different, stronger voice. The reason for this is that Russia has reverted to the 19th-century 'spheres of influence' approach or, simply put, the doctrine of *realpolitik*. Russia's talk of privileged interests in its neighbourhood is testimony to this. This *realpolitik* is being fuelled by aggressive nationalism at home and by enemy-labelling in Russia of the countries surrounding it. In such a light, it is crucial for Europe to understand that it needs to implement its harder instruments of power.

The European reaction to the Russian-Georgian conflict and its aftermath has been mixed. For some, there is a sense that relations between the EU and Russia are returning to business as usual. This is happening despite the fact that Moscow has not yet fully complied with its commitments regarding troop withdrawal and, more importantly, recognised the independence of South Ossetia and Abkhazia. Returning to business as usual before Moscow fully complies with its commitments is close to appeasement. Europe needs to engage Russia, but must do so in a principled and consistent manner.

The EU's leverage over Russia is limited. Nevertheless, Russia would clearly care about a united Western stance. Russia is very sensitive about issues of its international standing and prestige: for instance, considerations of G7 versus G8. Technology-related research programmes, trade agreements and nuclear fuels are also things Moscow is interested in.

Finally, the EU must remain strong and consistent in order to promote its vision of how the partnership with Russia should evolve.

Ioan Mircea Pașcu (PSE). – Mr President, Ambassador Jouyet, Madam Commissioner, EU relations with Russia needed a reappraisal even without the events in Georgia. Energy, security and common neighbourhood issues need a concept of common management which does not yet exist. In the EU, the preference is still for bilateral, rather than multilateral, action which diminishes the efficacy of our approach. Moreover, on the basis of different experiences within the Union, there is still no common perception on Russia between the east and the west as a precondition for a common position. Let me be very clear. We in the east are the least inclined to have a confrontation because we would be the first to lose. Equally, we are less disposed to allow unacceptable Russian behaviour to be ignored because, again, we would be the first to lose if it were repeated.

Generalisation in either direction is wrong. On the one hand, relations with Russia should not become totally hostage to what has happened in Georgia. On the other, what happened in Georgia should not be ignored just to keep our bilateral relations unaffected. We do not need to interrupt relations with Russia. After all, we managed to live with even worse in the past. We need a sincere dialogue based on our strengths – apparently the only thing Russia respects – in which we indicate to Russia what is acceptable and what is not, and Russia finally tells us what it really wants from us. I hope that we can both live with that.

Alexander Graf Lambsdorff (ALDE). – (DE) Mr President, there is a tradition in European foreign policy that has been substantially shaped by Hans-Dietrich Genscher, who engaged in talks with the Soviet Union even during the most difficult times of the Cold War, but always on the basis of a sober analysis of Russian interests. At that time, defence of the status quo was the Soviet Union's primary objective, while for Russia today the primary objective is to change the status quo to its own advantage. This is a totally different position in terms of Russia's interests. It has an objective interest in frozen conflicts and in criticism of the Charter of Paris through recognition of Abkhazia and South Ossetia. This is where its interests lie. It is interested in an unstable Ukraine.

None of this is good. This is a challenge for us. However, it is a lot better than the existential threat from the Soviet Union, and even at that time we engaged in talks with the Russians. Therefore, one thing is clear as far as we are concerned: we do not want Cold War rhetoric, but neither do we want naïvety. We want a critical dialogue with Moscow. We are in favour of the long-term goal of a strategic partnership, but not of the naïve assumption that we have already arrived at this goal.

I would like to add that I would have been pleased if we could have had this debate in Brussels and not in Strasbourg.

Francisco José Millán Mon (PPE-DE). – (ES) Mr President, Russia is an important global player and a permanent member of the Security Council. It has an enormous nuclear arsenal, extensive territory and abundant natural resources, including gas and oil. Its cooperation is essential in order to tackle challenges such as the Middle East peace process or the Iranian nuclear issue and to fight organised crime, terrorism, climate change and nuclear proliferation.

I therefore believe that we must not isolate Russia, but rather try to establish dialogue and cooperation with her. We could also establish a relationship on another more ambitious level. The Russian Federation is a European neighbour which, having left behind a long period of political totalitarianism and economic centralism, has in the last decade started along the road of democracy, human rights and an economy of private initiative.

If Russia continues to adhere to these ideals, its relationship with the European Union should be profound and one of true neighbours and partners based on common fundamental values. The crisis with Georgia was indeed very serious. For us, as members of the European Union, the basic principles must be non-use of force, respect for the sovereignty and territorial integrity of states and compliance in good faith with international agreements.

Russia's behaviour in the summer was not in line with these principles. It also seems to me that the agreements of 12 August and 8 September have not been implemented in a totally satisfactory manner by Russia, which has perhaps taken advantage of ambiguities in those agreements.

The Geneva Conference has also not started very well. If the Russian authorities want to build with us, the EU, a relationship of true cooperation and trust, their conduct should not remain the same as in recent months. They must also ensure adherence at home to the principle of respect for human rights and the rule of law which President Medvedev himself proclaimed at the start of his term of office.

Ladies and gentlemen, this is, in my opinion, a crucial moment. We must be vigilant and try to convince Russia that an intense relationship of mutual trust between true partners and European neighbours requires us to share basic principles and rules.

Kristian Vigenin (PSE). – (BG) Mr President, Commissioner, ladies and gentlemen, the issue of relations with Russia is one that has often come up in this House, which in itself shows how important this issue is, not just for the institutions, but also for the citizens of the European Union. I welcome your approach, Commissioner, because we have to live in the real world, and because we have to be fully aware of the risks and negative consequences of open confrontation with Russia. We need to try and learn from every conflict situation, by converting them into a strength for the future. We do not underestimate the gravity of the

military campaign in Georgia. Prevention is the only policy that could avoid similar developments occurring in neighbouring countries.

Two months ago I asked Mr Solana whether he expected Russia to be more compliant and more ready to compromise after the war in Georgia, or whether it would continue to act in a more confrontational and cavalier fashion. Of course, he did not reply, but today I can conclude that the negative scenario is not going to happen. However, this is also largely up to us. I believe that the challenge facing us is how to build new, pragmatic relations with Russia without compromising the values on which our Union is based. It is therefore important that we have a clear strategy to guarantee that every step towards cooperation on economic, energy and foreign policy issues and on tackling any challenges will be followed by a step towards promoting human rights and democratic reform in Russia.

In conclusion, I would like to point out that it is important to bring to the fore the issues that can engage Russia in implementing the policies that we have in common – I will not list all these issues here. I believe that the approach demonstrated so far by the Commission and the Council will be maintained and be successful.

Thank you.

Toomas Savi (ALDE). - Mr President, the European Parliament is the only EU institution that is elected directly by the citizens of the EU. It has also been called the conscience of Europe. This conscience has been burdened throughout the years with the conflicts provoked by Russia. Remember the war in Chechnya; remember Ukraine; trucks queuing up for weeks on Finnish, Estonian and Latvian borders; the frozen conflict in Transnistria; cyber attacks on Estonia; a ban on Polish meat. On top of all that now comes Russia's aggression against Georgia.

I am worried that the EU is displaying only timid reactions, tiptoeing around instead of discussing sanctions. We are only encouraging Russia to engage in more irresponsible behaviour. I am convinced that a clear conscience in relation to Russia is not a luxury that the European Union cannot afford.

Ari Vatanen (PPE-DE). - Mr President, next week they will start constructing a Formula 1 circuit in Moscow. When you construct a circuit, you have to stick to the engineer's plan. There are no two ways about it. We are supposed to be the engineers of democracy in this House, and maybe we should talk, not really about the EU-Russia relationship but about the EU-Kremlin relationship, because the leaders of the Kremlin will change one day, and we hope that they will change for the better.

Of course we want Russia in and we want the Kremlin in. Nobody can argue with that, but the question is: on whose terms? It cannot be on their terms. It has to be on universal terms of universal values. We are supposed to defend the very foundation of the EU. If you are a member of the scouts, you have to be a law-abiding member of the scouts. If we condone these current – how should I say – practices of the Kremlin regime, we are in a way denying ourselves the *raison d'être* of the EU. We are also betraying the Russian people, because we have to support democratic forces all over the world. No double measures. We have to give hope to those people who are fighting for the fundamental values in life. That is our duty.

If Russia becomes democratic, we must welcome them to any international structure. We have to see far ahead, as our forefathers did. Why should Russia not one day belong to a reformed EU or NATO? We will never know. Mr Monnet and Mr Schuman were very far-sighted people. That is the way forward. This discussion is becoming very serious, so may I remind you – when I think of our relationship – of just one Russian anecdote. A chicken said to a pig, 'Let us have a joint venture. Let us have a breakfast company. I will bring eggs and you will bring bacon'.

Katrin Saks (PSE). - (ET) It is clear that we cannot speak of the restoration or improvement of relations with Russia if there is no mutual trust, and that trust cannot be created without the full implementation of the peace plan. I see relations with Moscow from two perspectives. First of all, at Member-State level, where I share the position that it is more sensible to talk about such topics than to sever relations. At European Union level, however, our message is that the Union should consider the desires and fears of us small countries that have experienced a different history. In the same way that aggressive Russian foreign policy or human rights violations cannot be the only message, European Union interests that operate above the heads of the weaker, that is, Eastern European countries cannot also be the its only form of behaviour.

I liked what right-wing French President Nicolas Sarkozy said today: he emphasised the need for dialogue instead of counterattack. He reminded us that it was believed there was no point in going to Moscow, but

that doing so nevertheless stopped the Russian forces. Of course we do not need a new Cold War, but we do need to defend our European principles of sovereignty, territorial integrity and value-based politics and democracy.

I call for the European Union to continue to pursue a sustainable foreign policy with Russia and not to sever relations. It is the obligation of members of parliament to resolve tensions. We need diplomacy and also popular diplomacy, a good example of which is the very successful Russian theatre festival that just ended in my country, Estonia. I would also like to call upon the leaders of Europe, the Presidency of the EU and the heads of European Parliament factions not to forget their neighbours' fears and horror that Russia continues to create by pursuing its aggressive politics. It is clear that there is presently very little trust and respect in relations between the European Union and Russia, due to ...

(The President cut off the speaker)

Jerzy Buzek (PPE-DE). - *(PL)* Thank you for the opportunity to discuss this issue. I believe that all of us in this Chamber want the same thing. We want to cooperate with Russia. We also want a stable, predictable political situation in Europe. Russia certainly also needs us – the European Union – as it wants to sell gas and crude oil, but, most of all, because it has its own internal and external problems. Russia needs our stability, responsibility and strength. How, therefore, do we in this Chamber differ from one another? We differ in the manner in which we wish to proceed in our relations with Russia, in order to achieve the European Union's goals, not only in economic terms, but also in terms of respecting the principles and the system of values in which we believe.

I would like to give you an example from my own experience. In 2001, relations between Russia and Poland were very good indeed, and the Polish Foreign Minister was received in Moscow with honours. The Russian Prime Minister came to Warsaw and negotiated important issues pertaining to our mutual relations, especially in the field of energy. He even extended his visit by one day, a move that is rare under normal circumstances. This in spite of the fact that, just under two years earlier, in 1999, Poland expelled a dozen or so Russian diplomats, who were involved in a variety of activities, none of which had much to do with diplomacy. A short crisis then followed, until the Russians finally acknowledged that it is worth talking to us and taking joint action with us, and this was because when we are in the right, we have the strength to stand our ground.

The Russians are a proud people with great traditions. They appreciate resoluteness and strength in others, more than complicated explanations which say that 'black is not quite black'. When we are clearly in the right, a tough, resolute position is the only solution.

Maria-Eleni Koppa (PSE). - *(EL)* Mr President, today the European Union faces the challenge of restoring its relations with Russia. These relations must be founded on respect for human rights and adherence to international law. International developments are such that a new strategic relationship needs to be forged between the European Union and Russia. A unified Europe, without the dividing lines of the past, is the ultimate objective.

We must cooperate closely within the framework of the European neighbourhood policy in order to establish stability in the area, given that none of the frozen conflicts in the Caucasus has any serious prospect of resolution without Russia. We have an interest in seeking common solutions to common problems, to continue partnership negotiations as quickly as possible and to enter into dialogue in a spirit of mutual understanding and mutual respect. Only thus will there be any hope of finding solutions to even the most difficult problems in a way which serves the mutual interest. We also need this for the internal policy of stability in Europe as a whole.

The countries of the Caucasus and the United States must be made to understand that broader Euro-Atlantic relations must go hand in glove with the normalisation of relations with Moscow. If the objective truly is collective security, then everyone's cooperation and participation is needed. Otherwise, a return to a cold war mentality will be a one-way street.

Gunnar Hökmark (PPE-DE). - *(SV)* Mr President, the map of Europe has changed through armed attack and war. With this action, Russia has shown that it is prepared to use military force to achieve political aims. Let us not allow this to be pushed aside in the debate that we are having today. This must, of course, affect our view of Russia, but it will also influence the various requirements that need to be imposed in connection with any future cooperation. I would caution those who compare this situation to other states of affairs. Mr Swoboda – please do not compare this situation with Iraq. Iraq was a dictatorship of the most brutal kind

and in conflict with the international community. We may have different opinions about what happened, but do not compare Iraq with a European democracy and sovereign state.

There is no excuse for what was done to Georgia. Do not try to excuse what cannot be excused. Neither Russia nor any other country has any legitimate security interests in any other European country. This must be the starting point for all European cooperation. Otherwise the basis for cooperation will be undermined, and the way opened for further violence.

There are a number of areas where we engage in important cooperation that needs to involve Russia. These include the energy sector, Iran and climate change. It is my opinion that Europe and the European Union should be open to cooperation, but clearly with the requirements that need to form the basis of this cooperation. We should welcome cooperation, but should also be clear when it comes to the requirements that need to be imposed. In this way we can also play a part in helping Russia to develop an acceptance of democracy and a respect for fundamental rules. This must form the basis of European policy towards Russia.

Ioannis Varvitsiotis (PPE-DE). - (EL) Mr President, Minister, Commissioner, I understand why numerous members take a stand against Russia. They suffered in the past. In Greece we had a civil war which lasted a full four years and left many dead.

So we cannot keep on looking back. We must also acknowledge where Russia is in the right. Have we forgotten that Putin warned that the recognition of Kosovo would unleash a backlash? Have we forgotten that Bush has broken the United States' promise to Russia that NATO would not expand eastwards?

There is only one policy we should follow and that is the policy formulated by President Sarkozy today when he said that it would be irresponsible to allow a crisis to develop in relations between the European Union and Russia.

Adrian Severin (PSE). - Mr President, Russia is no longer the Soviet enemy of free, democratic Europe. Russia is not yet the European Union's strategic partner. One must get out of this ambiguity. Russia is too big to be isolated; Russia is too important to be ignored. The European Union must build on these realities.

The geopolitical crises in the South Caucasus and the Western Balkans prove that Russia and the Euro-Atlantic democracies could enhance, at arm's length, unilateral measures at their leisure, without considering each others' priorities.

The recent financial and economic global crisis proved that Russia and the European Union are interdependent and need each other. Therefore, we must convene a new conference on security and cooperation in the wider Europe, from Vancouver to Shanghai this time, to refound the principles and the rules of international relations and international law of the international organisations...

(The President cut off the speaker)

Bogusław Rogalski (UEN). - (PL) Step by step, Russia is regaining control over its neighbours and successfully achieving its objectives in the field of foreign policy. It presents the world with *faits accomplis*, while European politicians merely spout hypocrisy and weakness. The French President nearly fell over himself to praise Russia, yet Russia did not withdraw its troops from the rebel regions of Georgia, and acknowledged their independence. The German Chancellor, for her part, made assurances in Tbilisi, that Georgia would join NATO. A few weeks later she assured President Medvedev that there was no reason to rush things.

Yes, Russia certainly knows how to reward such loyalty. The German company E.ON has been granted access to Siberian reserves and the energy market, and both countries will jointly build a gas pipeline, an umbilical cord, under the Baltic Sea. The French President, for his part, has signed multi-billion contracts in Moscow concerning the modernisation of the Russian railway system. The most shameful example of Europe's behaviour towards Russia was when President Sarkozy stated that Russia had the right to defend its own citizens.

Are we to believe that the President of the Council did not know that this trick has been used by Russia on several occasions in the past? This is a new Yalta.....

(The President cut off the speaker)

President. – Ladies and gentlemen, I must say that, when you speak at the speed of the last speaker, there is no interpretation because, of course, the interpreters cannot keep up with the speeches. The 'catch-the-eye' procedure is not intended as a cunning way of speaking when you have not been allocated any time. We are

going to submit the procedure to the Bureau because increasing numbers of Members are using this. Clearly, when 14 or 15 Members ask for the floor in this way, we simply cannot fit everything in. In any event, please be aware that, if you speak very quickly, only you and your compatriots will be able to understand as no interpreter can keep up at that speed.

Christopher Beazley (PPE-DE). - Mr President, I have three questions to the Commissioner. She has spoken in favour of the resumption of talks, following colleague Hökmark. What are the EU interests that she will pursue during these talks? Will she require Russian troops – 8 000 of which are still on Georgian territory – to withdraw, in particular from the Kodori Gorge, which Abkhazi regulars have illegally occupied, again taking it from Georgian troops?

Secondly, will Russia consider contributing to the funds required to repair the damage to Georgian citizens and the Georgian infrastructure which their troops caused?

Finally, is it the case that she has information that, whereas Saakashvili is accused of behaving intemperately, there were in fact 400 Russian tanks...

(The President cut off the speaker)

Miloš Koterec (PSE). – (SK) We are starting from a false premise, as if we wanted to treat Russia as an enemy. As has already been said many times, we share many strategic common interests with Russia. Globalisation is a fact of life and we should be aware what the real risks are for the future, for peace, for development and for our very existence.

I agree. Let us condemn the disproportionate reaction in Georgia and anything else of that kind. But what was to be expected? We criticise and we react but let us also work with Russia as an equal and potentially a strategic partner and let us contribute proposed solutions at the summit in November. We will thereby at least be looking after our own interests.

Reinhard Rack (PPE-DE). – (DE) Mr President, Mr President-in-Office of the Council, Commissioner, the previous debate has quite clearly shown that we have very many points of contact with Russia, and many of these points of contact also appear to be points of conflict: the situation in the Caucasus and Georgia and the issue of energy have been discussed many times, and finally also the issue of our common interests in the financial crisis, which has been brought up once again, and rightly so.

My request to the Commission and to the Council would be – and this has been touched on briefly by President Sarkozy – for Europe to stop merely reacting to situations and to try, actively and proactively, to take the initiative and enter into discussions about a range of issues that are important to us. A constructive dialogue with Russia is called for, but it should not always be determined by actions taken by one side.

Tunne Kelam (PPE-DE). - Mr President, I think the main problem is not Russia, but the EU's personality split – the split between values, temptations and the need to conduct business as usual. The solution is to demonstrate convincingly that the EU is serious about implementing in practice its universal values – it is not about EU values or Russian values – and to ensure that such invasions as happened in Georgia will never take place in Europe again. Georgia is part of Europe.

How should we do that? Not by tiptoeing, as Mr Savi has said, but by taking a clear stand on how to prevent such things happening in future.

My question also concerns the donors' conference. Should we ask Russia to cover part of the damages...

(The President cut off the speaker)

Czesław Adam Siekierski (PPE-DE). - (PL) Building good relations with the Russian Federation poses an enormous challenge for the European Union. The Russian Federation is one of our most powerful partners in political, economic and military terms.

Recent events in Georgia have greatly undermined our trust in our Eastern neighbour. Russian foreign policy has revealed the aspirations of a Kremlin which aims to rebuild a vast, global empire, and does not show sufficient respect for international agreements. Moscow clearly demonstrated its sphere of influence. This placed the European Union in a very difficult situation, albeit one where we fortunately spoke with one voice, although this voice was somewhat muted.

Following the events in Georgia, we should think about how a consistent policy towards Russia can be maintained. The issue of security is a field which currently requires immediate action on our part.

(The President cut off the speaker)

Charles Tannock (PPE-DE). - Mr President, I would like to pay a special tribute to Mr Sarkozy, under the French presidency, for ensuring that 90% of the six-point plan has been complied with in terms of troop withdrawal from Georgia. I think the Russian leadership under Mr Putin and Medvedev have belatedly realised that their disproportionate aggression in Georgia was a mistake, as they still need good relations with the West or face economic ruin. Furthermore, only Venezuela, Nicaragua and terrorist Hamas have actually recognised South Ossetia and Abkhazia, which is an embarrassment to their Government, and their closest allies, such as Belarus and Uzbekistan, have resisted such pressures to go along with Russia's new and recently discovered concept of self-determination, which was never applied to the Chechens.

Russia must understand that 19th-century spheres of influence do not apply to the modern world, and hands off Ukraine, and in particular Crimea; hands off Moldova, or the South Caucasus republics for the future. Their territorial integrity must be respected by Moscow in the...

(The President cut off the speaker)

Jean-Pierre Jouyet, President-in-Office of the Council. – (FR) Mr President, Commissioner, ladies and gentlemen, I must say that it is to be expected, given the nature of the Union, that we should hear a variety of positions in this House. This debate – and I am delighted to say this – was of a high quality, apart from the remarks by Mr Batten, which I personally found shocking. That speech apart, however, the others have been perfectly legitimate. I would also like to thank Mrs Neyts and Mr Couteaux for their recommendations for reading, which will enable us to enrich our perspective on the relations between Napoleon and Russia, and allow Benita and I to become better acquainted with those between Austria and Russia.

With regard, more fundamentally, to the origin and development of the conflict, I will make three remarks in relation to the EU Presidency: the first is that, obviously, the use of force was an error; the second is that there was a disproportionate reaction by Russia, but, as was emphasised this morning, in order for there to be a reaction, there had to have been some action, even if the reaction remains disproportionate; and the third is that the European Union would like an independent international enquiry on the origin and development of the conflict.

On the extent of the Russian withdrawal and the stability of the Caucasus, I would also like to say that we must not behave as though nothing happened, either. We have been told: 'The Presidency is acting as though relations were normal'. No, I mean, certain things have happened since August, after all. Two months ago, we were confronted with an armed conflict; on 10 October we were able to observe the Russian withdrawal from the adjacent zones. As I said, this is a vital additional step.

This does not mean that Russia has fulfilled all of its obligations, of this we are fully aware – and I am responding here to the speakers who stressed the problems that are present in the region of Akhgori – but, at this stage, the most important thing is to embark, now, on a political process. This is the goal of the talks currently under way in Geneva. The message of the European Union is that there must no longer be zones of influence on this continent. The European Union and Russia belong to the same neighbourhood, for the benefit of which we need to cooperate, not to oppose one another.

As regards the resumption of negotiations on the partnership, I would say that the negotiation of the future agreement has been postponed, not suspended, for the legal reasons also referred to during this morning's debate, and, as the European Council said on 15 October, the continuation of these negotiations will incorporate the assessment that the Commission and the Council have been asked to carry out. This is entirely logical, as Mrs Neyts has moreover emphasised. I would point out that we need to distinguish clearly between the resumption of negotiations and the holding of the European Union-Russia Summit of 14 November. That summit will take place, and, as this debate has shown, it is more important than ever. The summit in itself is not intended to be an exercise in negotiating the future partnership agreement.

I would also like to return to what several speakers said regarding the notion of interdependence. It is true that such interdependence must be seen in a broad sense. It exists in all fields: it exists in the field of energy, obviously, and I would even say that, for certain EU Member States, it is a dependence that we need to solve by diversifying the sources of supply. Moreover, we are also dependent in the field of international security, and it is for this reason that the European Union must not leave unanswered the proposals of the Russian

President, Mr Medvedev, in favour of a new European security framework, even if the European Union's point of view is not necessarily the same as that of Russia.

I would like in this regard to point out, as a number of you have done, our adherence to the Helsinki Final Act and to the Charter of Paris, documents to which Russia is also a signatory, as Mr Onyszkiewicz rightly emphasised. In this context, we clearly need, as several of you have stressed, a sober analysis of our relations with Russia. There is no question of our returning to the Cold War, nor of our compromising our values and our principles. In order to ensure this, however, it is more necessary than ever for us to establish a dialogue with Russia.

I would like to thank all those who have congratulated the French Presidency of the European Union on its work, and especially Mr Wielowieyski and Mr Tannock. The French Presidency acted all the more effectively – and I wish to conclude with this – because it was able to rely on the support of all the Member States, of the European Commission and of this House. Division within the European Union would no doubt be the best way for Russia to weaken the EU.

In light of the very sharp polarisation of the debate between the States that have joined us most recently and the older members of the EU, it should be stressed that, now more than ever, what we need, and this debate has shown it, is unity in our handling of the Georgian crisis, and unity in our dialogue with Russia: unity on the part of the European Union in condemning the use of force by the parties and the violation of territorial integrity; unity of the European Union in its action, that is, in the deployment of civilian observers on the ground; and, finally, unity of the European Union in defining its interests, in particular in the area of energy and in the more global area of international security. It is on the basis of such unity that, when the time comes, negotiations of a future agreement with Russia will resume.

Benita Ferrero-Waldner, *Member of the Commission*. – Mr President, this was a very interesting debate but a debate that has shown that the reflections are quite different – there are different points of view and different aspects, and in a similar way we see some different aspects prevailing in the debate in the Council. I absolutely agree with our Council President and our friend that the most important thing is that we speak with one voice, and with a strong voice. This should be done at the next European Summit meeting with Russia.

What are our interests? I think I made this quite clear in my first intervention. Since we are so interdependent, there are all the important interests on the economic side and the energy side, but there are also interests on the world scene. These were mentioned – climate change, energy security, the question of how we can get a future agreement in Copenhagen. What do we do on Iran, on the Middle East? There is a clear interest in all the different issues, and this is what I wanted to stress and reiterate.

We will have a very important discussion at the next General Affairs and External Relations Council on 10 November, and I hope that we will find the right understanding on pursuing negotiations for the new EU-Russia agreement, because these have only been postponed. I think what our President said was very clear. I say this because I think this is the best possible way forward, but at the same time we also have to be firm. We have to treat Russia as it is and not Russia as we wish it to be. That is also clear. That means human rights dialogue as described today and speaking about all the differences. This is what we did at the last summits at which I personally was present.

As regards all the questions that have been asked about the 8 000 troops, the European Council has given a clear answer to that and has noted with satisfaction that Russian troops have withdrawn from the zones adjacent to South Ossetia and Abkhazia as an essential additional step in the implementation of the agreements of 12 August and 8 September, as well as the launch of the Geneva international discussions provided for by those agreements. I think Geneva is the place to continue talks about the political solution. These started with a difficult moment, but the process is launched and now we want to go forward. That is my first point.

Secondly, Russia will not be at the donors' conference, to give you a clear answer, but I think the time will come when the question of damages might have to be brought to the fore, and an international investigation then held. This has already been discussed in the Council, and the Council was in favour of such an international discussion.

Let me now say a word on human rights. As I said before, there are a number of developments inside Russia that give us cause for concern, notably the violent deaths of journalists, restrictions on NGOs, the situation in the Northern Caucasus in general and in Ingushetia in particular. We have also called for full investigations into cases such as the death of Anna Politkovskaya and the recent killing after police arrest of Magomed

Yevloyev. The latest round of human rights consultations, as I said, takes place today and will certainly also provide an opportunity to clearly mention those concerns.

We have also made clear to Russia that it needs to cooperate fully with the Council of Europe and to ratify Protocol 14 on the Court of Human Rights and Protocol 6 on the death penalty.

Concerning WTO accession: we, the European Union, remain a strong supporter of WTO accession because we think this will create a level playing field, which is necessary for our Economic Community, and we believe it is in our interests as a major trading partner for Russia to join a rules-based system. But it is also important from the perspective of further development of our bilateral relations. It is most important therefore that we continue to support this issue. We have to continue to engage openly with the Russian side on this important process, but it is clear that we have to find timely solutions with them and for them.

The question of energy security and clear energy was mentioned. Let me just say that we also have an energy dialogue and an environmental dialogue and, therefore, the questions of energy efficiency, clear energy etc. have already been tackled at different G8 meetings and at our EU summits, and will certainly be one of the important themes in the run-up to Copenhagen, where we also need Russia's cooperation. The Commission has supported joint implementation projects under the Kyoto Protocol and is ready to do more, because we think this is a most important issue.

Concerning the European security architecture, I just wanted to clarify that President Medvedev already mentioned this at the June EU-Russia Summit at Khanty-Mansiysk – not after the Georgia crisis but before. I was there and know that very well, so I just wanted to mention it for the purpose of clarification. This is an old Russian idea that has come to the fore again, and I think it interesting that President Sarkozy has proposed to maybe speak about it at an OSCE summit in 2009. We are not yet there, but let me say that it is most important that the question of a security partnership be discussed, but always with regard to all existing security relationships. That is also a clear line that we have to draw.

As a final remark, let me say that it is so important that we advance the question of frozen conflicts – that is clear – and I will propose a Communication on the Eastern Partnership very soon, at the end of November/beginning of December. We have already discussed this in the Council, and it will also have a very strong security component, but we also have other institutional mechanisms like the Minsk Group that should not, therefore, be excluded.

My last words concern cluster bombs, because this was also mentioned. Let me say that we also deeply regret that cluster bombs have been used on both sides, thus creating great obstacles for IDPs to return home. Therefore, we want to engage with the international organisations working in that field in order to clear the affected areas, but also to see that these cluster bombs no longer exist in the future.

President. – The debate is closed.

Written statements (Rule 142)

Alexandra Dobolyi (PSE), in writing. – Recent events have raised questions about the nature of our relations in both the short and the long term. We must move on and look ahead. Negotiations between the EU and Russia on a new strategic partnership agreement should continue. It is in the interest of both parties to conclude this agreement. The EU has every interest in promoting a genuine “strategic partnership” with Moscow. We have to be pragmatic and realistic and pursue a results-oriented policy. The EU has to find the best common approach to deal with Russia on issues such as current global economic challenges, energy, economic interdependence, non-proliferation, terrorism and climate change, because these matters are in our fundamental mutual interest. We cannot afford to marginalise Russia, we have to engage with it in a constructive way. Now more than ever, dialogue and long-term cooperation are required. Isolating Russia will not help. Relations need to be strengthened in many fields of mutual interest, in particular with regard to dealing with the current financial crisis and creating the new global financial architectural structure, where cooperation with Russia, as well with China and India, is absolutely necessary, and ensuring stability and security in the shared neighbourhood of the EU and Russia.

Lasse Lehtinen (PSE), in writing. – (FI) The Western world has once again deceived itself in its hopes for Russia. After the break-up of the Soviet Union it was believed that Russia, now free of its ideological shackles and having rejected communism, would at the same time rid itself of totalitarianism, authoritarianism, and the persecution of dissidents. It was believed, like so many times before, that Russia might become closer to

Europe and its values. Russia did not become a democratic market economy, however, but a sort of capitalist dictatorship of exploitation, where civil rights have to yield to the law of a mightier force.

In discussions it is sometimes hard to distinguish naïve wishful thinking from calculating pragmatism. The EU Member States have reacted to the war in Georgia in very many ways. Now we have to ask if, for example, the selective attitude to Russia that emphasises economic values does not compromise our common values base. The EU is built upon common values and the idea that all practical problems should be resolved through negotiation, not war. The institution has to be kept alive, so that the smallest members of the EU and those that intend to join might also stay alive. These common principles cannot be traded in Member States' bilateral relations with Russia.

Andres Tarand (PSE), in writing. – (ET) Mr President, several Members of Parliament have stated that greed is the cause of the present financial crisis. In his article that appeared this spring Mr Schöpflin describes this age-old phenomenon as an important factor in EU-Russian relations. I must note that at the time of the publication of his article I had reached the same position taking into consideration the energy-related relations between several EU Member States in recent years. In recent weeks – since the first shock of the August events – this same phenomenon is reflected in the Georgian issue. A certain group of politicians were able to mutually convince themselves, in order to ease their collective conscience, that the main culprit in the conflict was Saakashvili. Perhaps Saakashvili also organised the deportation of Georgians from Moscow two years ago and the summoning of the Pskov paratrooper division to the area on the eve of the battles? I believe that it is more reasonable to see this as the result of the dangerous policy of the restoration of Russian spheres of influence, and we should respond accordingly.

Bernard Wojciechowski (IND/DEM), in writing – (PL) This manifests itself in the economic sector in Russia's need for European Union investment and technology. The European Union needs Russia's raw materials. In 2001, EU Member States accounted for 79% of Russian foreign investment to the tune of nearly USD 30 billion. In May 2004, the twenty-five European Union Member States' share of Russian foreign trade stood at 55%.

It is not in the interest of the Member States of the European Union to allow our relations with Russia to deteriorate. The Union needs to diversify its supply of crude oil and natural gas. Thanks to its political and economic potential, Russia is a serious partner for the European Union. If the European Union wanted to promote ideas on the international arena which differ from those of the United States, then Russia's political support could provide the key to their implementation. For example, the Kyoto Protocol took effect following Russia's ratification of the document, in exchange for which the European Union agreed to Russia's membership of the WTO.

13. Democracy, Human Rights and the new Partnership and Cooperation Agreement EU/Vietnam (debate)

President. – The next item is the debate on:

– the oral question to the Council by Marco Cappato, on behalf of the ALDE Group, on Democracy, human rights and the new EU-Vietnam Partnership and Cooperation Agreement (O-0095/2008 – B6-0473/2008), and

– the oral question to the Commission by Marco Pannella, on behalf of the ALDE Group, on Democracy, human rights and the new EU-Vietnam Partnership and Cooperation Agreement (O-0096/2008 – B6-0474/2008).

Marco Cappato, author. – (IT) Mr President, Commissioner, representatives of the Council, ladies and gentlemen, negotiations are taking place on the new cooperation agreement with Vietnam and I believe it is important for Parliament to be informed about the substance of the negotiations, particularly with regard to respect for human rights and democracy.

We do not claim that by means of cooperation agreements we can, with a click of the fingers, miraculously achieve respect for democracy and human rights in Vietnam or elsewhere. What our European law requires us to do, however, is to refuse to accept serious, systematic infringements of human rights and democracy. We know that we do not have huge resources with which to impose this respect; we know, however, that the renegotiation of cooperation agreements can provide a good opportunity to make at least some progress on the most serious and most systematic infringements.

I hope that in the resolution that will be adopted tomorrow this Parliament can put to the Commission and the Council some especially serious points, which were also brought up at the hearing held by Parliament's Subcommittee on Human Rights, with figures such as Kok Ksor, Vo Van Ai and members of the non-violent radical party, among others.

Firstly, the situation of the Degar minority, who are Christians in Vietnam's central highlands: they are still being arrested in their hundreds and there is still no free access to the central highlands of Vietnam for international observers, particularly for the United Nations. Now that Vietnam is in the United Nations Security Council, this should not be happening any more: the hundreds of political prisoners currently being held must be freed.

There is a huge problem regarding religious freedom, and Vietnam must give a response on this before a new agreement is signed, particularly the failure to recognise the Unified Buddhist Church. Thich Quang Do, the leader of the church, is still being held under arrest, and the land belonging to the Catholics is still confiscated. It is time for Vietnam to repeal the laws criminalising dissent and religious activities.

Commissioner, Mr President-in-Office of the Council, our request is therefore a specific one: can we ensure that these problems, at least these serious infringements of human rights, are resolved before a new cooperation agreement is entered into?

Jean-Pierre Jouyet, *President-in-Office of the Council*. –(FR) Mr President, Commissioner, ladies and gentlemen, Mr Cappato, I am pleased to be back here among you today.

We are following the human rights situation in Vietnam very closely, and the Presidency has just recently had the opportunity to express concern once again following the sentences handed down in particular to two journalists who had written reports on corruption cases. The Council and the Commission maintain regular dialogue with Vietnam on the subject of human rights, in talks held twice a year. The last meeting, held in Hanoi on 10 June 2008, allowed us to address, on the one hand, the general human rights situation in Vietnam, and, in particular, freedom of expression, the situation of minorities and the application of the death penalty, as well as a number of individual cases.

In addition to this dialogue, a number of more selective measures are taken with regard to individual cases, where arrests or sentences appear to us to undermine respect for civil liberties and international commitments and, in particular, the International Covenant on Civil and Political Rights, which has been ratified by Vietnam.

Moreover, on the occasion of the European Day against the death penalty, on 10 October, we once again explained our very clear position on this subject to the Vietnamese authorities. They seemed receptive to our message, and brought up the reform of the penal code currently under way, a reform that is expected to reduce the number of crimes subject to the death penalty. That is the very least they could do.

Ladies and gentlemen, as you can clearly see, the human rights issue is an important element of our relations with Vietnam. It is a sensitive issue. Mr Cappato, you mentioned the situation of Christians in Central Vietnam, a matter to which we are particularly attentive, and I thank you for having mentioned it. I would like to point out that the European Union is the only power to pursue such a global and purposeful policy on this matter, and this at times makes us a target for criticism by our partner. I wish to be clear about this, however: we will pursue this policy with determination.

I wish to turn now to the future Partnership and Cooperation Agreement, the debate on which is under way. A new session of talks is currently under way in Hanoi, and will continue until 22 October. Like any agreement concluded by the European Union with a third country, this agreement must contain a very important clause on human rights. This clause will constitute an essential element of the future agreement, which may be suspended or even revoked if one of the parties fails to respect it – I want to insist on this point. At this stage in the negotiations, Vietnam has not challenged the principle of such a clause. Once again, that is the least it can do. This is a positive sign by Vietnam and a practical commitment on its part to respect human rights. The European Union will thus have at its disposal a powerful legal instrument to guarantee respect for human rights as soon as the agreement has been ratified.

Ladies and gentlemen, Mr Cappato, we agree with you that the human rights situation in Vietnam needs to be improved. We consider that the actions we have been taking for several years now are helping to improve it, but, beyond that, it is in our view the signing of a future Partnership and Cooperation Agreement that will enable us, in this case as in others, to use the human rights clause to provide the best possible framework for addressing this issue with Vietnam. Naturally, this House will be kept fully informed of the development of the negotiations which, I would remind you, are under way.

Benita Ferrero-Waldner, *Member of the Commission*. – (ES) Mr President, please forgive me for having disrupted proceedings by listening for a moment to some of your Members.

President. – Commissioner, you are not to blame if Members come and distract you with something irrelevant, in a clear lack of solidarity with the Member who is speaking at the time. You are therefore forgiven and it is the Members who must take into account that, when one of us is speaking, they should not distract the President-in-Office of the Council or whoever is speaking on behalf of the Commission. Please continue.

Benita Ferrero-Waldner, *Member of the Commission*. – (FR) Mr President, ladies and gentlemen of the Council, and, of course, ladies and gentlemen of this House, Mr Cappato, the Commission is very pleased with the attention paid by Parliament to the negotiation of a Partnership and Cooperation Agreement with Vietnam, as well as to the human rights situation in that country.

Our debate is most timely, since, on this very day, as our President has mentioned, talks are being held in Hanoi to negotiate this agreement. I can tell you that the human rights situation is an absolutely crucial concern of the European Union in its relations with Vietnam. It is true that that country is, in spite of everything, making a certain amount of progress in this area. I am thinking in particular of the recent efforts to reduce the scope of the death penalty, to establish, for example, a legislative framework setting out the conditions for the exercise of religious freedom, and to better manage the issue of ethnic minorities who had fled to Cambodia and who are now returning to Vietnam.

Nevertheless – and you are right in this regard – it is clear that, in recent months, some worrying trends have unfortunately developed with regard, in particular, to religious freedom and to freedom of expression. These trends are illustrated more specifically by the harassment of the Catholic community in Hanoi and by the sentencing, last week, of journalists for their investigation into corruption.

As I said to the Vietnamese Deputy Prime Minister, Mr Khiêm, when he was in Brussels very recently, on 17 September, it would be disastrous for the long-term stability of Vietnam and for its international credibility if the current economic and social difficulties in that country led to its instinctively regressing to authoritarianism and repression.

Now more than ever, Vietnam must, on the contrary, establish mechanisms intended to allow peaceful expression of the tensions and social frustrations being felt in that country. This is a message that President Barroso will also repeat this week when he meets Prime Minister Dung on the fringe of the ASEM Summit in Beijing. This will be the European Union's message during the next session of the EU-Vietnam Human Rights Dialogue, which will also take place in Hanoi, in December. The draft Partnership and Cooperation Agreement proposed by the EU to Vietnam confirms and increases the importance that we attach to human rights in our relations with this country.

Indeed, the current draft agreement, as our President said, includes a vital, suspensive clause on human rights; consolidates the regular EU–Vietnam dialogue on human rights by conferring a legal status on it; and makes provision to help Vietnam equip itself with a national action plan on human rights. It includes a whole series of detailed provisions on compliance with labour law, good governance and the promotion of the rule of law. It also contains a clause on the International Criminal Court. This agreement is thus a legal instrument and a lever for political action that I believe we need in order to increase our involvement in the areas of human rights and democratisation.

Charles Tannock, *on behalf of the PPE-DE Group*. – Mr President, I have to say – and rather sadly – that I remain sceptical as to whether the human rights clause within the EU-Vietnam cooperation agreement is really worth the paper it is written on.

The noble intentions contained within it are a reflection, understandably, of our common European values, but I believe it is little more than window-dressing and an understandable concession to the powerful human rights lobby within the Union. After all, China is now the EU's second-largest trading partner, yet the Communist dictatorship in Beijing pays no attention to our concern about human rights. Indeed, I sometimes wonder whether it is even worth raising the issue any more.

The political repression and human rights violations in China tend to distract us from what is going on in neighbouring Vietnam, where things are every bit as brutal. Pro-democracy dissidents and religious minorities are imprisoned, journalists are intimidated into silence, and the liberties we take for granted here in Europe, such as an uncensored internet, simply do not exist.

That is why I proposed last year, with Mr Cappato and others, that Thich Quang Do should be considered for the Nobel Peace Prize. This brave Buddhist monk has suffered years of harassment and jail in his quest for religious freedom and human rights.

Vietnam encapsulates the dilemma facing the European Union. How much should human rights matter in our commercial relationships with third countries when they are formally written into trade agreements and partnership agreements? And can stronger economic ties alone be a positive force for political and human rights and democracy reforms?

These are tough questions which the new Commissioner from Britain for trade, Baroness Ashton, will have to grapple with. I believe our common values to be non-negotiable. Therefore, I urge the Commission and Council either to be honest and scrap this pretence by abolishing these human rights and democracy clauses, or genuinely and sincerely to hold third countries to account for their wanton abuse of values that we all hold sacrosanct. I pay a very special tribute to Mr Cappato and all the fine work he has done in this respect.

Barbara Weiler, *on behalf of the PSE Group*. – (DE) Mr President, ladies and gentlemen, we in Europe have a deep understanding of, a lively interest in and a great affinity for the people of Vietnam. My group still remembers all too well the terrible suffering and devastation caused by the wars and occupations in Vietnam, not only by the United States but also by European countries.

Vietnam is now developing in a particularly dynamic and exciting region in South-East Asia. The 10 Member States of ASEAN are not all democracies as we in Europe understand the term, but things are changing. The new ASEAN Charter shows specifically that violations of human rights cannot be ignored, Mr Tannock, and the negotiations leading up to it prove that violations of human rights are very much on the agenda.

Now is a particularly good time because the negotiations have been re-opened; the cooperation agreement of 1995 is being renegotiated. It is true that, after China, the European Union is Vietnam's second-largest trading partner, and it is for precisely that reason that we will be able to make progress. Partnership agreements are certainly not pointless.

The Socialist Group in the European Parliament calls on the Commission to work to ensure that the freedom of the press, freedoms for minorities and activists for democracy, freedom of religion and, of course, the freedom of UN observers to operate are guaranteed. Then we will be able to develop an even closer friendship with this beautiful country.

Athanasios Pafilis, *on behalf of the GUE/NGL Group*. – (EL) Mr President, we understand perfectly that imperialism and its representatives, the European Union and the United States of America and all those who support them, are unlikely to forget Vietnam, because it was a global symbol: its people beat both French and American imperialism and won their independence.

The identical resolutions proposed today are unacceptable and call on Vietnam to comply with the suggestions of the European Union. What you failed to achieve with weapons you are now trying to achieve with economic blackmail. That is the point of the clauses which you have adopted about so-called respect for human rights and democracy.

Since you have raised the question of human rights, I ask all of you, including Mr Cappato, to answer us: there are tens of thousands of people in Vietnam suffering from agent orange, an inhumane chemical and biological weapon used by the United States of America. There are thousands of mutant births, deaths from cancer and entire areas laid waste from the use of this weapon, which was manufactured by the well-known company Monsanto.

Do these people, who are still suffering and dying, not have human rights, including the supreme human right, the right to life? Why then do you not support the demand by the Vietnam Government and the victims for compensation and for the consequences of this forbidden biochemical war to be addressed, but you do support presumed human rights for the return of ecclesiastical property which belongs to the people?

That is why it is hypocritical to cite human rights. Only the people of Vietnam have the authority to resolve their problems, not the people who, in the final analysis, should have apologised to them for murdering one million people in the war which they unleashed against them. What is needed is balanced, mutual, beneficial economic cooperation without political and economic blackmail.

IN THE CHAIR: EDWARD McMILLAN-SCOTT

Vice-President

Jim Allister (NI). - Mr President, despite the past protestations from the Vietnamese Government that they guarantee religious freedom, and despite the best efforts of the last speaker to whitewash the regime in Vietnam, the reality is very different, particularly for isolated Christian groups. While confiscation of church property has been rife, those linked to unregistered evangelical house churches have been particular targets for state persecution. Just months ago, a young tribal man who refused to repudiate his Christian faith died from injuries inflicted under official interrogation; hundreds remain in prison for their faith where ill-treatment is rampant. I salute their courage, I condemn their persecutors, but above all I appeal to this EU not to put improving relations with Vietnam and trade above defending and demanding basic human rights for these human beings of very great faith. We must not, for the sake of trade or other short-term gain, sanitise the outrageous human rights record of Hanoi.

Bernd Posselt (PPE-DE). - (DE) Mr President, Vietnam is a country that is becoming increasingly open to the European Union, but it has one serious stumbling block, and that is human rights and the fundamental freedoms. In this connection, I should like to turn our attention in particular to religious freedom, just as this resolution, thankfully, also does. Christians in Vietnam are persecuted, and the Bishop of Augsburg, who is particularly concerned with persecuted Christians, is here today to talk with us on the subject. Moreover, Buddhists and other religious groups are also hindered and persecuted in the practice of their religion.

We can make it quite clear that it is our duty to work to ensure that Vietnam becomes an equal partner, that it opens up, and that it draws nearer to us. This must not, however, be at the expense of fundamental human rights, but must be based on a fair partnership founded on fundamental human rights.

Richard Howitt (PSE). - Mr President, our resolution today does not simply raise our concerns over freedom of expression, repression of dissent and religious discrimination in Vietnam. It calls on the European Union to account for what is being achieved through our human rights dialogue and to set clear benchmarks for improvement in moving towards a Partnership and Cooperation Agreement with Vietnam.

We can never accept that when a journalist uncovers evidence of embezzlement of USD 750 000 within the Transport Ministry, in part used to wage bets on English Premiership football matches, that journalist should find himself in jail.

We can never accept the use of the death penalty for 29 different offences, for us not one offence. Executions, we are told, take place at 4 a.m., without warning, which means that prisoners never sleep before six o'clock in the morning for fear that their time has come.

And we can never accept threats and intimidation against the Catholic Church such as that which followed the peaceful mass protests in Hanoi last month. Amnesty International recorded one woman leaving church to find a gang shouting 'Kill the archbishop' and 'Kill the priests'

Vietnam has been a party to the International Covenant on Civil and Political Rights since 1982. The current evidence presents a clear breach of Articles 2 and 18. What is more, in July Vietnam took charge of the presidency of the UN Security Council. We call on European negotiators to make clear to the Vietnamese Government that any aspiration to uphold international law in international institutions has to be matched by respect for it at home.

Konrad Szymański (UEN). - (PL) I think that from the list of human rights infringements in Vietnam it is necessary to highlight state violence towards Catholics. The government in Hanoi unilaterally controls the Catholic Church's assets, in contravention of prior undertakings. Catholics who oppose the seizure of buildings in Hanoi belonging to the Apostolic Nunciature are attacked by hit squads. The number of prisoners of conscience is growing. Recently, there were further arrests in the grounds of the Redemptorist monastery in Thai Ha. The Archbishop of Hanoi, Quang Kiêt, is under house arrest and remains under surveillance, living in fear for his life. Although Vietnam has, relatively speaking, opened up in economic and social terms, it has become a country where Christians are increasingly persecuted. The new agreement between the European Union and Vietnam must address the issue of religious freedom in that country. Otherwise, it should not be signed.

Marco Cappato (ALDE). - (IT) Mr President, ladies and gentlemen, I would like to say to Mr Pafilis that the war in Vietnam today is the war being carried on by the Vietnam regime against its own people, the Vietnamese people, the Khmer Krom people and the Degard people.

There will be a human rights clause in the new agreement. That is a good thing, but there is already a clause in the current agreement, and we are not managing to make sure it is abided by. So our request, which I believe is very important, is that before a new agreement is signed we obtain concessions on fundamental aspects where a systematic violation of human rights is taking place: access to Vietnam's central highlands, the release of the political prisoners and recognition of the Buddhist Church and the property of the Catholics, because if we do not achieve something before the agreement is signed, it will be impossible to subsequently demand respect for European and international law after the agreement has been signed.

Jean-Pierre Jouyet, *President-in-Office of the Council*. – (FR) Mr President, ladies and gentlemen, Mr Cappato, I believe, on the one hand, that we should not confuse what it means to have been a victim of imperialism with knowing, today, what it means to respect human rights. For my part, I would not compare victims of biochemical weapons with those who are victims of attacks on religious freedoms. All this forms a single, absolutely indivisible, whole.

To respond to Mr Tannock, but also to some extent to Mr Cappato, we should not underestimate the value of the suspensive clause where human rights are concerned. We have only to consider the difficulty in concluding other agreements that are often negotiated for nearly 20 years with other groups of States – I am thinking of the Gulf States here. We have only to consider, too, the role played by this clause with regard to certain countries within the framework of the Cotonou Agreement. This shows that the European Union is taken seriously in its concern to promote human rights in these agreements.

As regards the additional concessions requested by Mr Cappato, it is precisely the negotiations conducted by the Commission that must make it possible to see – and the Commissioner has emphasised this point – whether progress has been made by the Vietnamese authorities in this area. Such progress will be assessed as a whole. Once again, I believe that it is through dialogue that we are going to see progress made in these countries' relations with the European Union, and it is through such agreements and such clauses that the Union is best able to promote the values that you and we, Mr Cappato and others in this Chamber, clearly hold dear.

Benita Ferrero-Waldner, *Member of the Commission*. – Mr President, I think it is very clear that we all want to address the question of human rights whenever and wherever possible. As I said, I just did so a few weeks ago, and I did so when I went there two years ago. I remember then I was also able to obtain the liberation of a few prisoners, so there is indeed a possibility. What we also do is provide lists to them and say here, here and here, something has to be done.

I think this was therefore an important debate because it has re-focused our ideas on the particular issue of religious communities and, in this specific case, of Christians and Catholics. We have to focus very clearly on these questions, but at the same time I would also like to say that we know that Vietnam is also now facing a difficult economic and social situation, so, if Vietnam is not careful, investment will not come from foreign countries, particularly European countries. This is also a very good instrument that we have in addition to mere dialogue.

For instance, we will certainly ask for a gesture of clemency on the part of the Vietnamese authorities in favour of the two journalists who were recently imprisoned and have been judged in Hanoi for having used their freedom of expression. That is something that we will clearly also mention again.

Finally, I would like to say that Vietnam will next time be subject to a periodical, universal review of its human rights situation in Geneva, and that will be another excellent occasion to very clearly mark the questions and see what has been done so far.

President. – The debate is closed.

I have received four motions for resolution⁽²⁾ tabled in accordance with Rule 108(5) of the Rules of Procedure.

The debate is closed.

The vote will take place on Wednesday.

(2) See Minutes.

14. Question Time (Council)

President. – The next item is Question Time (B6-0475/2008).

The following questions are addressed to the Council.

I am sorry to say that we are short of time, but I intend to suspend the sitting at 19.00 as planned. Mr Jouyet has been here all afternoon, as has Mrs Ferrero-Waldner.

Question No 1 by **Claude Moraes** (H-0703/08)

Subject: Progress on the 'Blue Card'

At this mid-point of the French Presidency, what progress can the Council report on the 'Blue Card' and the related priorities of skilled migration and circular migration?

Jean-Pierre Jouyet, *President-in-Office of the Council*. – (FR) Mr President, I should like to say to Mr Moraes that the proposal for a directive on the conditions for entry and residence of third-country nationals for highly qualified employment – the 'Blue Card' Directive – was presented by the Commission to the Council in October 2007, as he is moreover aware.

The aim of this proposal is to encourage highly qualified third-country nationals to settle in the European Union. In order to make the EU more attractive, this proposal establishes common criteria for their admission, recognises equal treatment with EU nationals in several areas, and offers Blue Card holders opportunities to move about within the Union.

As you know, this proposal is one of the priorities of the French Presidency within the framework of the Pact on Immigration and Asylum. On 25 September, the Council gave its support to this initiative on the basis of a compromise proposed by the Presidency. This compromise focused, on the one hand, on the definition of higher professional qualifications and of higher education qualifications, and, on the other, on the relationship with national law; lastly, it focused on the minimum salary threshold for which a derogation is provided for in case of specific need within a profession.

The Council has given the Permanent Representatives Committee the task of finalising the examination of the text, with a view to arriving at a proposal very quickly, and final adoption will be able to take place after your opinion on this proposal has been adopted. I believe this will be possible within the context of the November plenary.

Claude Moraes (PSE). – Thank you for that comprehensive answer. The Blue Card could be a great achievement if it is comprehensive, if it is fair and balanced. In that respect, may I ask the Council how to avoid the issue of brain drain, or cherry-picking of the best workers not just from developing countries but from emerging economies as well? Will there be some connection between EU governments, the Commission and the governments – particularly the labour ministries of those countries – to ensure that, while we get the best workers and we compete for the best workers, we do not then drain those emerging and developing economies of some of their best people; that we monitor this issue and preserve freedom of choice, but that we get the Blue Card right, because it could be a very positive development for this place?

Reinhard Rack (PPE-DE). – (DE) I should just like to return to one specific point. In the past, we repeatedly had the problem that, whilst on the one hand we were stating, from the European point of view, that we needed skilled immigrants, on the other hand we were still always very restrictive.

Is there a credible comparison between the attractiveness of the US Green Card and comparable systems, and what we want to do in Europe?

Jean-Pierre Jouyet, *President-in-Office of the Council*. – (FR) Mr President, I think this is precisely what we are trying to do: to reconcile the fact that Europe always needs immigrants. We are clearly going to be at a disadvantage demographically and in terms of attractiveness in comparison with other regions of the world and we must therefore maintain an open policy both within the European Union and towards real emerging countries and, within that framework, we must make sure, on the one hand, that we have a legal framework for economic migrants and, on the other hand, that we strike balanced agreements with the countries of origin by combining our uptake capacity and preventing a brain drain as far as they are concerned.

I think that to take account of the new phenomena of economic migration and to give them a framework is one of the most innovative elements of the Pact on Immigration and Asylum accepted by the 27 Member States. In answer to the honourable Member's question: yes, we shall try in this area to follow some of what has been done in the United States in an intelligent and efficient manner.

President. – Question No 2 by **Liam Aylward** (H-0705/08)

Subject: Effects of hazard-based approach on food prices and pest resistance

Assuming that a hazard-based approach will reduce the number of pesticides on the market, what does the Council consider will be the future outcome on pest resistance and the consequential crop production in the EU, effects on food prices/security and the consequences for the developing world? (Some experts believe that the EU will source more food from the developing world, resulting in increased food prices there with a consequential effect on those on the edge of poverty.)

Jean-Pierre Jouyet, *President-in-Office of the Council.* – (FR) As far as plant protection products are concerned, a 'pesticides' package has been tabled in the Council, the aim of which is to revise regulations governing the placing on the market of such products and introduce a directive governing their sustainable use.

The objective is to ensure that the use of pesticides is compatible with environmental conservation and with health protection and we must of course take account of the impact of the package on pest resistance. It was on this basis that the Council agreed a common position on 15 September.

This position makes provision for active ingredients used in pesticides to be approved following an assessment of the dangers and risks which they pose to human and animal health and to the environment.

This challenge is an important one. Here too we need to protect our citizens, because there are dangerous substances, such as carcinogenic substances, mutagenic substances and substances which are toxic to reproduction or which may disrupt the endocrine system and should not therefore be used. The Council has also taken account of the impact on agricultural production, because the Council is determined to ensure that the new legislation has no adverse repercussions on costs or on the availability of foodstuffs in Europe or in other regions of the world.

On the contrary, the review of legislation on pesticides and plant health protection should strengthen the free circulation of products, with mutual recognition of product approvals in the same zone and more rational procedures for approving active ingredients at European level, all of which should help to modernise European agriculture and improve the protection of our consumers and citizens.

Liam Aylward (UEN). - Can I assure the minister that we all want to look after the citizens' health and the environment, but does the Council agree with the call for a European Commission impact assessment on the effects of food production and food supply because of this legislation in each Member State? The fact that the European Commission has failed to do this to date is totally unacceptable.

Would the Council agree that, without proper up-to-date information, we cannot be expected to make informed choices and decisions?

Jim Allister (NI). - Following up the last question, what is it that the Council has to fear about a proper impact assessment so that we might know the real impact of your proposals on food production in Europe? This affects both producers and consumers. Producers and consumers have a lot to lose if pesticides, which presently are vital to crop production, are removed with no available substitute. What, for example, are potato-growers in northern Europe with their wet climate to do when there is no substitute to deal with potato blight? Are we simply to say 'Too bad'? Are we to say to our consumers, 'Let's import from countries which have no regard for pesticide controls'? Really, is it not time to reconsider and to make a proper impact assessment on these proposals?

Mairead McGuinness (PPE-DE). - Can I support the last two comments in relation to an impact assessment? I would have thought there is much to gain from both the Commission and Council point of view if you have evidence that helps you through an impact assessment. I know the Irish blight is a long-told story, but it is a very significant problem and I think you need to address it, not just from a producer perspective but bearing in mind that this has implications for food prices, for availability, and also that we are going to import a product that is produced using chemicals that Europe will ban.

Tell me that makes sense, because I do not see it.

Jean-Pierre Jouyet, *President-in-Office of the Council*. – (FR) My thanks to Mr Aylward, Mr Allister and Mrs McGuinness for their questions. For us, the objective is to achieve agreement on this delicate subject at second reading before the end of the year, with formal adoption by the European Parliament during the December part-session. A trilogue has been planned between the Commission, the Council and Parliament in order to marry the different points of view expressed and, within this framework, it seems highly logical to me for impact assessments to be carried out in order to establish the impact of these regulations both on production methods and on consumer protection. I have no doubt that they will give us a better idea of the impact of these directives.

President. – Question No 3 by **Seán Ó Neachtain** (H-0707/08)

Subject: Accessing funding under EU Research Technology and Development Programmes

What initiatives is the Council putting in place to ensure that European businesses are fully aware of how to draw down funding under EU Research Technology and Development programmes, which are to be worth over €55bn to EU businesses between 2007 and 2013?

Jean-Pierre Jouyet, *President-in-Office of the Council*. – (FR) Mr President, may I say in reply to Mr Ó Neachtain that, since the first framework programme for research was adopted, the Council has introduced a set of measures to improve access to information for enterprises. These measures should allow enterprises to be fully aware of how to draw down funding under European framework programmes for research and development.

There is, for example, the Cordis website, which is a type of electronic tool created to facilitate the proposition of European technological research and development projects. Enterprises can access all the necessary information on European programmes and on the main national and regional players in the various Member States. The site has a practical guide to sources of funding for research and innovation.

There is also a network of national contact points which has been set up to improve access to information for enterprises and which is supported within the framework of the seventh research and development programme and the framework programme for competitiveness and innovation. The aim of this network, therefore, is to facilitate information which is as personalised and as decentralised as possible, by establishing contacts between various institutions, be they national ministries, universities, research centres or firms of private consultants.

Finally, we have published guidelines on the use of funds under the Seventh Framework Programme for research and on the use of the Structural Funds which can be used in the research sector. These guidelines provide essential information to enterprises and we also know that it is this information and these multiple sources of information that allow our enterprises to compete for the instruments implemented by the European Union.

Seán Ó Neachtain (UEN). – (GA) Mr President-in-Office of the Council, I thank you for your comprehensive answer. However, I should like to ask if the Council can state how applications under the development programme can be dealt with more effectively, and if it has any plans to ensure we receive answers quicker. How do you think this ought be done?

Teresa Riera Madurell (PSE). – (ES) Mr President, in both the Seventh Framework Programme and the Competitiveness and Innovation Framework Programme, one of our objectives was to encourage the participation of small and medium-sized enterprises.

As two years have passed since the adoption of these programmes, could the Council tell us whether the participation of small and medium-sized enterprises in the Member States is improving in comparison, for example, to previous framework programmes?

Avril Doyle (PPE-DE). – Could the Council please confirm that under FP7 the whole application procedure was to be made much more user friendly, that this has in fact happened, and that it is also transparent so that businesses generally know how to draw down funding and how to respond to calls in relation to monies available under FP7?

Jean-Pierre Jouyet, *President-in-Office of the Council*. – (FR) I will be perfectly frank with Mr Ó Neachtain: given the items which will already be on the agenda for the European Council in December, I do not think that this question will be raised at the European Council, despite the challenge which it represents. It needs

to be raised in the Research and Competitiveness Councils. My feeling is that a great deal has already been done to improve the information system.

In reply to Mrs Riera, I think that a great deal still needs to be done. A political agreement on communication will be adopted tomorrow by the Commission, the Council and Parliament in order to publicise European actions more widely.

I think this is an important step, but I think that what is important beyond that – and Mrs Doyle is right to insist on this, as is Mrs Riera – is that we multiply the practical information points. I believe that this House has a very important supervisory role in ensuring that these practical information points are developed still further from the point of view of who they should be directed at and what procedure should be used.

President. – Question No 4 by **Brian Crowley** (H-0709/08)

Subject: Emergency relief following natural disasters

What proposals have been brought forward by the Council Presidency to expand and improve the operation of emergency relief assistance in the EU following natural disasters, flooding, fires, etc?

Jean-Pierre Jouyet, *President-in-Office of the Council.* – (FR) To reply to Mr Crowley, Europe has suffered an increasing number of disasters and major crises over recent years. The forest fires and floods which hit several European countries recently have demonstrated that it is vital that we improve the efficiency and capacity of the European Union's response to emergencies. This too needs to be done in a spirit of solidarity and protection for our citizens. We need solidarity and unity and we need to protect citizens inside and outside the European Union. That is why the Presidency's priorities included strengthening the European Union's response capacity to disasters and crises.

Starting from existing Community resources, especially the Community's civil protection mechanism, we need to proceed through various stages of response to disasters. Firstly, we need prevention, research and information. We need to step up work to implement early warning systems. Secondly, we need to prepare for crises, which means strengthening management and response capacities and coordination between the agencies involved at Community and international level. Through intervention we hope to increase the capacity to provide European humanitarian aid and civil protection and thus improve the Community civil protection mechanism around a more operational centre.

There are therefore different competent working parties studying these topics within the framework of the Council and the Council will consider this work before the end of the year. For the honourable Members' information, the Presidency will be organising a civil protection exercise on 4 and 6 November involving all the directors-general of civil protection in the Member States. This will allow us to see on the ground what progress is needed in this very important sector.

Brian Crowley (UEN). - With regard to the coordination of activities, obviously this is the most important aspect as we saw last year with the forest fires that spread from Greece into Italy and into parts of Slovenia, or with the flooding of the Danube at different times that did not just have an impact in Austria but in other countries alongside.

Is there a proposal to set up a coordination unit that will be permanently operable at some central point to help coordinate these cross-border natural disasters that have an impact right across the Union?

Reinhard Rack (PPE-DE). – (DE) Mr President-in-Office of the Council, the coordination of aid measures is one aspect; the other is whether it remains apparent to European citizens that it is the European Union that is involved, not just the Member States – that Europe is actually doing something for individual people at local level.

Jim Allister (NI). - Minister, could I direct you to the entry threshold under the EU Solidarity Fund. It is set, as I understand it, at something like EUR 3 billion. It is set at the same level for a large country as for a small region and a large region. In consequence, you can have a level of devastation from flooding such as we had in Northern Ireland this summer where it is very extensive in that specific region yet, because it falls below the threshold and does not extend to the whole nation, there is no access to the EU Solidarity Fund. Is that fair? Does that not need to be looked at, and do you not also need to look at the foolish hoops which agricultural producers in particular have to jump through in order to try and access this funding?

Jean-Pierre Jouyet, *President-in-Office of the Council*. – (FR) Firstly, in reply to Mr Crowley, I do believe that it truly is the Presidency's ambition to arrive at the point where there is a coordination centre which is as operational as possible. That is what we are hoping for. The problem is that we need to strike a balance here between those who want more coordination, as is the case with the Presidency, and the Member States who are more attached to the role of subsidiarity, including in this sector. Ultimately, to be perfectly clear, the Presidency will work within the framework of the Council towards enhanced coordination and – in reply to Mr Rack – more visible coordination because – as Mr Rack rightly says – we need to safeguard the visibility of the European Union.

In reply to Mr Allister, as far as the European Solidarity Fund is concerned, I am well aware of the attention which we need to pay to Northern Ireland in connection with a number of natural disasters. I have no information about discrimination against it but I shall of course ensure, with the Council services, that the Solidarity Fund is used as quickly and equitably as possible, depending on the regions, both at European level and at Member State level.

President. – Question No 5 by **Eoin Ryan** (H-0711/08)

Subject: Food security in an unequal partnership

As the EU pledges to continue to introduce initiatives to ensure security of food supply to the developing world, what is the Council doing about developing world allegations that the EU is exploiting an unequal partnership, firstly through the negotiation of trade deals that are, in the words of the UN Economic Commission for Africa, 'not sufficiently inclusive' and 'lacking in transparency' and that allow the EU to benefit from the African countries' lack of capacity to handle legal complexities and secondly by securing European food supply at the expense of, among others, West African fisheries?

Jean-Pierre Jouyet, *President-in-Office of the Council*. – (FR) In reply to Mr Ryan, as you know, the Cotonou Agreement introduced a new partnership between the European Union and the 78 ACP countries on 23 June 2000. These new agreements should foster a global approach to relations between the European Union and these countries based on a commercial approach to goods and services, flanking measures, measures to promote regional integration and the fact that these commercial measures must comply with the rules of the World Trade Organisation. A number of interim agreements were initialled at the end of 2007 which, as the Council underlined in its conclusions in May 2008, addressed the risk of disruption to trade, which was an important concern.

It is perfectly clear that the process of negotiating full regional economic partnership agreements is one of the Council's main priorities. The Council has, moreover, adopted a new series of conclusions on economic partnership agreements – the fourth since 2006 – reiterating that the purpose of these WTO-compatible agreements is to support development. There is therefore still a consensus of views within the Council on this important question and a shared intention to achieve full regional economic partnership agreements which will bring about sustainable economic development in ACP countries.

The security of food supply is at the heart of the joint discussions, according to the information from the committee in charge of negotiations. There has been steady progress at regional level and it is still our objective to conclude full regional agreements as quickly as possible.

As far as partnership agreements in the fisheries sector are concerned, I would remind the House that, following the Council's conclusions in July 2004, the Community has introduced a new type of bilateral agreement. What concerns me is that, firstly, fishing opportunities should – and we hope will – be allocated to Community vessels on the basis of transparent scientific opinions and, secondly, that part of the financial contribution by the Community set out in the so-called sectoral support agreements should be used to develop the fisheries sector of the partner coastal state, so as to establish responsible and sustainable fisheries.

Finally, what we must remember is that we need interim agreements, but we must proceed as quickly as possible towards complete economic partnership agreements, which is what all the members of the Council are working on.

Eoin Ryan (UEN). – What transparency measures can the Council put in place to ensure the maximum effectiveness, not just of trade deals, but also of aid to and for the developing world?

Considering that you hear one side from the Commission about EPAs and then you hear a lot of criticism from NGOs about EPAs, it is very difficult to find out who is correct on this and who is really benefiting from

it. But certainly there is consistent criticism and lack of transparency in these EPAs. I would just ask you to comment on that.

Avril Doyle (PPE-DE). - In relation to the West African fisheries, could I put it to the presidency that these fisheries agreements, albeit bilateral, need far more monitoring and revisiting by the EU and the Commission to ensure that severe poverty and debt in these third countries do not put unsustainable and irresistible pressure to sign up to these lucrative agreements which often, and generally, result in seriously unsustainable and irresponsible exploitation of the resources? I think there is a big question mark about what Europe is doing here. Could the presidency please comment?

Manuel Medina Ortega (PSE). – (ES) Mr President, I wish to reiterate Mrs Doyle's question, but I want to put it in a slightly different way.

Administration of the Western Saharan fisheries was transferred to Morocco some twenty years or so ago. There has been no pressure there. Fishing in that area by the European Union has been minimal, but there has been a problem with poor administration of the fisheries.

My question is as follows: what measures can we take to help countries that are in charge of fisheries in order to ensure effective monitoring? It is not enough to simply not sign fisheries agreements. If there is no effective monitoring of fisheries, there will always be problems.

Can the European Union do something to help these countries to effectively monitor their fisheries and to avoid depleting their resources, as is currently happening?

Jean-Pierre Jouyet, President-in-Office of the Council. – (FR) I think that, as far as transparency is concerned, these agreements should be highly transparent. I personally have no comments to make on any lack of transparency. What we have to bear in mind is that we are in a transitional phase with these interim agreements. They are not wholly satisfactory, but we cannot do otherwise in light of the WTO rules.

Secondly, the honourable Member is right: the countries which concluded them are critical of such agreements. There is always criticism of the efficacy of development aid. We are working with the Commission to ensure that these aid mechanisms and these support mechanisms are more transparent, that is clear.

Thirdly, what we want is to move towards global agreements which encompass all stakeholders and the representatives of civil society in the partner countries.

Fourthly, as far as fisheries along the coast of West Africa are concerned, I believe that Mrs Doyle is right. We obviously need to ensure that there will always be sustainable development and, come what may, agreements which remain bilateral must not exert excessive pressure. As the honourable Member pointed out, we must keep effective measures in place to control fisheries resources. It is not easy. Naturally we must take account of the state of economic development and help these countries to become better integrated into international trade zones.

President. – Question No 6 has been ruled inadmissible as it is similar to a question answered at the September II part-session.

Question No 7 by **Manuel Medina Ortega** (H-0719/08)

Subject: Air safety

In view of the rise in recent months in the number of air travel accidents in different parts of the world, can the Council state whether it believes the existing international rules and procedures for air safety are sufficient or whether it favours presenting new initiatives aimed at ensuring the safety of citizens in air transport both within the EU and outside its airspace?

Jean-Pierre Jouyet, President-in-Office of the Council. – (FR) Mr President, in reply to Mr Medina Ortega, air travel is still one of the safest means of transport, but it is true – and I understand everyone's feelings – that some accidents, especially that which occurred in Spain this summer, remind us of the extremely tragic consequences of such accidents.

Improving the safety of airline passengers is still one of the Council's main priorities. I would remind the House that there is a regulation, adopted by Parliament and the Council, establishing a black list of airline companies at risk. This regulation allows aircraft considered unsafe to be prevented from using Community airspace and is an effective means of improving the application of international safety standards in countries

in which the Commission considers that the minimum safety rules are not being respected. This list is regularly updated.

In this fundamental sector of air traffic safety, another important element is the establishment of the European Aviation Safety Agency, whose mission is to promote the highest possible level of safety and environmental protection by civil aviation. The Community institutions have also addressed cases of aircraft operated within the Community by third country carriers, i.e. carriers outside the Community, and Community rules have been laid down for granting crew licences, for operations and for safety standards.

Obviously, as the honourable Member rightly says, these rules need to be supplemented and reinforced and the Commission will, I hope, table some proposals as quickly as possible. These proposals will be examined by the Council and this House within the framework of the regulation procedure with which you are familiar.

We also need to work with the International Civil Aviation Organization which is, of course, a key partner in this sector and the French Presidency is determined to push ahead with air travel safety. It has already started examining new Commission proposals adopted last June with a view to setting up Community safety rules for airports, air traffic control and aviation services.

Manuel Medina Ortega (PSE). - (ES) Thank you very much for your lengthy reply, Mr President-in-Office of the Council. It was very comprehensive.

My supplementary question is simply that some have said that the increase in accidents is linked to airlines' efforts to compete with each other in offering cheap flights. Consumers are very happy to pay less to fly, but I do not know whether the Commission has any studies establishing a link between low-cost flights and the increase in the number of air incidents.

Robert Evans (PSE). - My point relates to this whole question of air safety. There have been a number of incidents reported where passengers, sometimes British, sometimes of other nationalities, have taken on too much alcohol during the flight and been a danger to other passengers and indeed the whole aircraft.

Do you think that there is a case for not allowing passengers on board aeroplanes who have alcohol with them?

Jean-Pierre Jouyet, President-in-Office of the Council. - (FR) I think that the Commission should examine all sources of danger within the framework of its proposals. If it appears – to reply to the last question by Mr Evans – that this is a source, as it may well be, then I agree. We also need to consider the conduct of passengers within this framework, which allows me to reply to Mr Ortega, because it is not on low-cost flights that this sort of incident occurs, because sales are without doubt more limited.

However, in reply to Mr Ortega, I know of no direct link between low-cost flights, if that is your question, and the number of accidents; what is true is that there is a link between companies seeking to reduce costs, especially in terms of maintenance, security and the lifetime of aircraft, and the number of accidents. This is where we need to fight and to ensure through existing committees and, more importantly, the CESAR project, that there is better control of the operations of these companies, especially maintenance operations which, as the enquiry will show, are at the origin of these disasters in certain cases, of which you were unfortunately the victims. I believe that we really should pay particular attention to this phenomenon.

Avril Doyle (PPE-DE). - Thank you, even if I am interrupting. All we would like are assurances – we are slightly off the point, trespassing on the generosity of the Chair – would you please do something about access to Strasbourg, so that we can fly into Strasbourg Airport and get to this place? Strasbourg is a beautiful city but we cannot get here, and that is why we all complain about the sessions here.

Jean-Pierre Jouyet, President-in-Office of the Council. - (FR) I am delighted to be able to reply to Mrs Doyle, of whom I am very fond and for whom I have a great deal of affection. I would like to point out that we are making a serious effort to improve access to Strasbourg and that, as you know, we are subsidising five airline companies. The French Government, to change hat for a moment, is spending more than 22 million in order to guarantee that these airlines fly into Strasbourg. We have also tried to improve rail access between Brussels and Strasbourg with the deviation via Roissy and a link between Thalys and the TGV. We clearly need to do more. We shall try and continue. We are currently discussing how to keep improving services to what you referred to – and I share your feelings here – as this beautiful city.

President. – Question No 8 by **Robert Evans** (H-0721/08)

Subject: Electronic passports

With the absence of a visual check by a responsible officer, what assurances can the Council give that the use of electronic passports at some airports will not lessen security or increase the opportunity for impersonation?

Jean-Pierre Jouyet, *President-in-Office of the Council.* – (FR) Mr President, in reply to Mr Evans, the Council actually places great importance on reinforcing controls on the external borders of the European Union, something that has again been emphasised this morning.

We do not want to construct a fortress Europe but we have to bear in mind that the Schengen area has been enlarged and that Schengen must function in a totally effective way, and that it is our common responsibility to combat cross-border crime and to ensure that illegality is completely deterred.

The Council has accordingly seen to it that better use is made of new technology in managing our external borders. The Commission has issued a wholly welcome communication entitled 'Next steps in managing border controls in the European Union', which seems to us to be an excellent proposal.

It is also essential that facilitating controls at border checkpoints, and I can reassure Mr Evans on this, does not bring into question the integrity and security of the Schengen area. Automated verification of travellers' identity must not lead to a diminution in border security.

As you know, Regulation 2252/04 provides guarantees; this document establishes precise standards for biometric identifiers to be integrated into passports and travel documents issued by Member States. These provisions allow passports to become more secure and enable us to fight effectively against document falsification, by establishing a more reliable link between the document and its owner. The guarantees contained in this regulation must be strengthened and we must continue this initiative – that is the whole idea of the pact on immigration and asylum that President Sarkozy described at some length in the sitting this morning.

What matters is that we have the legal framework in place for action; what also matters, Mr Evans, is that we now have at the same time, through the pact, a common political will to ensure the security that is essential within the context of an enlarged area of freedom.

Robert Evans (PSE). – Like the minister, I have no wish to make Europe into a fortress, and I want sensible security checks and to use new technology. But I have witnessed the use of these passports, and I wonder if he can tell me where I am going wrong, because what happens is a person in possession of an electronic passport comes up to a machine, places his or her passport on the reader and then walks through if the passport is in order. I cannot see how that is doing anything other than checking whether that person is in possession of a valid passport.

What it is not doing is checking that the person has one that has been issued in his or her name. My understanding, therefore, is that there would be nothing to stop me using your passport, Minister – providing you were to lend it to me – to go through a check, because there is nobody there to see whether the picture and the person is the same, or I could be using the passport of a distinguished person like Mr McMillan-Scott.

I wonder if you can give me an assurance as to where the check is actually taking place concerning the ownership and the actual identity of the person.

Jean-Pierre Jouyet, *President-in-Office of the Council.* – (FR) That is an easy question, for which I am grateful to you, Mr Evans. No, I believe most seriously that if there is a loophole at the identity check level, and that is something that I must check, then we must really make sure we have proof of identity. That seems quite clear to me. We cannot have passport swaps.

I shall therefore keep your observations in mind. We shall check what you have said, and you can rest assured that, within the context of measures available to the Council and the work on implementing the Pact on Immigration and Asylum, we shall look once more at whether it is advisable to reinforce this point within the framework of the Schengen area. That must be done.

President. – Question No 9 by **Marian Harkin** (H-0723/08)

Subject: Volunteering

Could the Council say if the French Presidency would be supportive of asking Eurostat to recommend implementation of the UN Handbook on non-profit institutions in the system of national accounts in light of the fact that this is one area of the statistical system that touches the citizens of Europe in a direct way and therefore validates the involvement of citizens in voluntary activities by giving it explicit visibility in the statistical system for the first time?

Jean-Pierre Jouyet, *President-in-Office of the Council.* – (FR) Mr President, in answer to Mrs Harkin, the Commission, as she knows, undertook discussions within the Committee on Monetary, Financial and Balance of Payments Statistics; that is Eurostat, I suppose. At the end of these discussions, the committee considered that additional research needed to be carried out at the academic level in order to define harmonised identification criteria for non-profit institutions, so that reliable comparisons could be made in time and space between these institutions. Accordingly, this question of statistics is important, because it is true that structures within the voluntary sector are very varied, and we must understand these structures better. However, what matters, and I should like to assure the honourable Member on this point, is that in the Council we are extremely attached to developing the voluntary sector. It is an issue for citizens to make the European ambition their own, especially for younger people. We have seen recently, from the latest studies, that they are not naturally the greatest europhiles, in spite of the opportunities that they have been given.

In November, therefore, the Council's 'Education, Youth and Culture' programme should be adopting a recommendation on mobility for young voluntary workers in Europe so as to encourage voluntary work at the European level and so provide a clearer image of Europe, particularly for our younger fellow citizens.

Marian Harkin (ALDE). – First of all, I thank the presidency for its reply and, indeed, commend the French presidency for its initiative on mobility. However, your response quotes a letter here from the European Commission which is nothing more than a red herring, because it says that the emphasis was put on the diversity of legal status and the lack of harmonised criteria for identifying non-profit activities in the different countries. Minister, you are very well aware that 32 countries already produce these NPIs including, I am delighted to say, France, and the Czech Republic, who will be holding the presidency of the Council from January. So I believe that the Commission is, as I said, introducing red herrings and dragging its heels on this, and, given that France is itself producing these accounts, I would be very pleased to hear that you would at least recommend to Eurostat that they recommend to all EU countries that they produce these accounts.

Zita Pleštinšká (PPE-DE). – (SK) More than 100 million Europeans of varying ages and varying religious beliefs and nationalities carry out voluntary work and the social capital represented by active volunteering plays a vital role in local democracy through a multi-layered partnership. I therefore support the plan to declare 2011 the European Year of Volunteering. Does the Council not think that we could and should do a lot more in this area up to 2011 than we have done to date?

Paul Rübzig (PPE-DE). – (DE) My question relates to how these statistics are collated. Time and again, we see that statistics in Europe list the various countries such as Germany, Spain, Poland and so on, but rarely if ever relate to Europe as a whole, the Europe of 27; and yet these statistics are then compared against the USA, India or China. We should endeavour to ensure that the Europe of 27 is visible in these statistics, precisely because voluntary work is particularly important to us.

Jean-Pierre Jouyet, *President-in-Office of the Council.* – (FR) I believe that it is really important, and I shall reply first to Mrs Pleštinšká, then come back to Mrs Harkin and Mr Rübzig, to see to it that the voluntary sector has a symbol and that 2011 should be the year of the voluntary sector. That is why the French Presidency wishes to prepare for this and really to encourage youth mobility and see to it that progress is made in developing voluntary services across Europe.

In reply to the question on statistics, I should like to go back to an exchange with Mrs Doyle. As Mr Rübzig has said, I am truly in favour of a better knowledge of what Europe is doing in community and charitable terms, and also of more transparency. However, we can also easily perceive what is the extension of the European humanist tradition in relation to other regions of the world, notably the United States, but equally elsewhere, and I am thinking here of what can exist in Asia.

However, and I am no specialist on this question, we must also ensure that there is a good balance between statistical requirements and greater simplicity, and try to simplify and alleviate the burdens on structures

that sometimes have few resources. Personally, I am in favour of good statistical knowledge, of going in the direction of what you are recommending. I am against uniformity in this area: I believe that it is also important to maintain a certain diversity, and I do not see that this would in any way prevent this good statistical approach. On the other hand, what appears important to me is to ensure that requirements, the usefulness of which I understand, and which must exist, are proportionate to what we are trying to achieve, to simplify burdens, particularly for those structures that are the most lacking in terms of administration.

President. – Questions 10 and 11 have been merged as they are very similar, but their authors will both get the chance to put supplementary questions to the Minister.

Question No 10 by **Avril Doyle** (H-0725/08)

Subject: EU policy on GM products

Do the Presidency and the Council agree that the current EU ‘zero tolerance’ policy which bans the import of non-EU approved products – containing an adventitious or low-level presence of GMOs – is causing a major supply problem for EU farming businesses dependent on grain and feed imports?

These products often contain previously EU-approved GM varieties yet if the smallest trace of unauthorised GM is found they are banned and destroyed. This process lacks scientific rigour and integrity.

A recent report by the Joint Research Centre (JRC) of the Commission has concluded that ‘no demonstration of any health effects of GM food products submitted to the regulatory process has been reported so far’.

Given the finding of the JRC report and given the undue delay in the assessment process of GM varieties, what action will the Presidency take to ensure prompt safety assessments of GM products in the European Union?

Question No 11 by **Mairead McGuinness** (H-0730/08)

Subject: Discussions on the strategic aspects of GMOs

Member States were recently invited by the President of the European Commission to nominate high-level officials to participate in discussions on the strategic aspects of GMOs. The issues being addressed within the group include the functioning of the approval procedures, the impact of asynchronous GM authorisation, and debate within the general public on the question of GMOs. The first meeting of the high-level group was held on 17 July; another is scheduled for this month.

Can the Council indicate what progress is being made in the discussions and when the high-level group expects to be able to report?

Can the Council comment on how the objectives and recommendation(s) of the high-level group might differ from those of the GM working group, put in place by the Environment Council?

Jean-Pierre Jouyet, *President-in-Office of the Council*. – (FR) Mr President, this is my chance to reply in the same terms to Mrs Doyle and Mrs McGuinness, I am pleased to say. The French Presidency decided to carry on the complex and politically very sensitive debate on GMOs – debates that were begun by the previous presidency in order to arrive at a conclusion on this subject before the end of the year.

Yesterday, Mrs Doyle, Mrs McGuinness, the Environment Council had an exchange of views on GMOs following an informal meeting of environment ministers held last July at Celle Saint-Cloud, as you know. This discussion will be continued with a view to operational conclusions for the December Council, at the end of the French Presidency.

What at this stage are the directions the debates are taking? The first is to strengthen the means for environmental inspections and assessments by harmonising them at European level, and quite clearly, in this connection, I shall not miss the opportunity to report back on the results of these reflections in December.

Within the context of these reflections, we must equally take account of the socio-economic criteria in managing GMO-related risks, and look into how we can improve the application of scientific expertise, establish harmonised labelling thresholds, and finally take into account the fragility of certain sensitive or protected areas.

Therefore, as you know, President Barroso has set up a high-level group to address this question, and I think that you should see with the Commission what stage the work of this group has reached. No report has been

published at this stage. The group is examining the legislative framework, the associated issues, between trade and the environment, and the rise in the prices for agricultural products and its impact on the GMO issue.

What matters, as I have said, is what has come before the Council, and the need to ensure that new guidelines relating to environmental assessments are adopted quickly so as to take account of the long-term environmental risk of GMOs. This is what I wanted to point out.

Avril Doyle (PPE-DE). - I thank the presidency for their answer, but notwithstanding the awaited report by the high-level group, if the role of the World Trade Organisation means anything, should it not include – at the very least – a unified process for safety assessment and authorisation of GM products traded at global level? Because surely we are not saying that the United States, Australian and Japanese consumers are put at greater risk by their GM safety assessment procedures and authorisations, which are extremely efficient? Finally, would the presidency not agree that anything other than peer-reviewed, science-based safety assessment and authorisation procedures for GMOs would lack integrity and bring our legislation in this House into disrepute?

Mairead McGuinness (PPE-DE). - I think your merging of the two questions left me short, if you may, because my question is very specific. First of all I am not sure that there was full cooperation with this high-level group, but I would like to know what progress, if any, has been made, and when they will report, because it seems to me that Europe is more about activity on GM than on action, and what we need is action, because we have a situation where a very large country like the US, and others, are very happy about the way they assess GM, and Europe wants different criteria. I hear from your answer that you are looking for much more 'strict' – whatever that might mean – and therefore leave us with the same problem.

President. – It was actually the Council that asked for the questions to be put together.

Jean-Pierre Jouyet, President-in-Office of the Council. – (FR) I accept my responsibilities. Mr President, I can assure you that you are not here for nothing. I accept all my responsibilities in this connection and I apologise with regard to Mrs McGuinness.

In response to Mrs Doyle, on the question of possible reviews, particularly peer reviews, the Council has begun a very fruitful exchange of views with experts from EFSA, in particular as regards environmental risk assessment. These discussions have made a positive contribution, particularly on the theme linked with reinforcing assessment in matters of the environment, on improving the application of technological expertise, as I have told you, and taking account of certain sensitive areas.

Having a peer review seems to me to be really going in the right direction. I consider it would be a healthy development. As regards the concerns expressed by Mrs McGuinness, I believe that we cannot dispense with a rigorous assessment of the long-term environmental consequences of using GMOs. I am aware of American tendencies in this matter. As regards European concerns, we must also bear long-term concerns in mind, and therefore be really very rigorous in the assessment that we must conduct.

President. – Question No 12 by **Jim Higgins** (H-0728/08)

Subject: Situation in Zimbabwe

Could the Council indicate if it has re-evaluated its stance on the situation in Zimbabwe, due to the fact that at the time of writing the efforts to broker an agreement by Thabo Mbeki have failed and the people of Zimbabwe continue to suffer hardship, while the European Union continues to be a bystander viewing the failed negotiations?

Jean-Pierre Jouyet, President-in-Office of the Council. – (FR) Mr President, in response to Mr Higgins, we continue to pay extremely close attention to the situation in Zimbabwe and to be very concerned by it. That is why we have condemned the violence from the beginning of last April. We have condemned the way in which the elections were conducted, but I shall not return to that subject. As the European Union, we have tried to get the Security Council to pass a very serious resolution on Zimbabwe.

After the agreement providing for a unity government that was signed under the auspices of the SADC on 15 September, the European Union has approached its partners with a view to forming a credible unity government as quickly as possible, in other words to give effect to the will of the people of Zimbabwe, as expressed on 29 March.

The negotiations are continuing, but after President Mugabe's plan to reserve the important portfolios for his party (I remind you that it lost the election, the second round of which was fraudulent), these efforts at mediation have failed. The Council has indicated that it will continue to monitor the situation very closely.

It has, moreover, encouraged the mediation efforts of the SADC, under the leadership of President Mbeki, to arrive at a more satisfactory result with regard to the choice made by the people of Zimbabwe on 29 March. If these efforts continue to be blocked, we are ready to take additional measures by way of sanctions directed at the Zimbabwean authorities.

Given the very grave humanitarian situation, we do not wish the population to become a victim of this situation, and that is why the Commission has just released an additional amount of EUR 10 million to deal with the situation in which the people of Zimbabwe find themselves.

In conclusion, as regards the economic and social aspect, I should remind Parliament that the Union is ready, once a credible unity government is in place, to adopt measures supportive of the consolidation of democracy and of economic recovery in that country.

I should therefore remind you that we remain vigilant and remind you of the fact that the European Union remains active on all fronts – political, diplomatic, economic and humanitarian – to ensure that justice be given to the people of Zimbabwe.

President. – I have two supplementaries to this question, but this will be the last question. I am afraid that I am going to have to draw things to a close now. I would like to thank the Minister for his very comprehensive replies. Anybody who is in the Chamber and has a question down will receive a written reply.

(Interjection from the floor by Gay Mitchell)

I realise your problem, Mr Mitchell. I am keeping to the time. If others do not then that is their problem, but I can answer for myself. I said at the beginning of Question Time that we would finish at 19.00.

(Interjection from the floor by Gay Mitchell)

We try and maintain some order here, and I appreciate your concern.

(Interjection from the floor by Gay Mitchell)

I note your comments but I do not think I am to blame for that.

Jim Higgins (PPE-DE). – (GA) Mr President-in-Office of the Council, the Council is aware that the NDC (the National Democratic Conference) is seeking new elections and that the plans to organise talks on power-sharing in Swaziland have been postponed for a week.

This postponement has arisen from the refusal to provide the opposition leader Morgan Tsvangirai with a passport. Do you think, Minister, that this is correct or helpful? And are you now confident a sustainable long-term arrangement may be established?

Colm Burke (PPE-DE). – I am just wondering if there has been any engagement directly by the European Union with the stakeholders involved in the political process in Zimbabwe. Even if it does resolve its political issues in the morning, it will require a huge level of support, both economically and also in relation to building up new trade relations. I am just wondering if there has been any engagement with stakeholders by the European Union.

Jean-Pierre Jouyet, President-in-Office of the Council. – (FR) First of all, as Mr Higgins has indicated, the situation remains of great concern, and we understand what makes the solutions that have been proposed unacceptable at this time to the leaders of the opposition, but I believe that there is to be a tripartite meeting of the political organs of the SADC, that is of Swaziland, Angola and Mozambique, in Harare on 27 October next.

In response to Mr Burke, it is clearly difficult to keep contact, given the lot that is Mr Tsvangirai's. His passport has been confiscated and not returned to him; he did not come to Swaziland. The Commission, and equally the President-in-Office of the Council of Ministers, Bernard Kouchner, are quite clearly keeping themselves informed, and in very close contact with the representatives of the SADC and of Mr Mbeki. For our part, we can only ensure that relations with Zimbabwe are restored, but only when the rule of law is guaranteed and

when a satisfactory solution has emerged. However, we have the maximum contacts that are possible in the current situation, whether with Louis Michel or Bernard Kouchner.

President. – That concludes Question Time.

Questions which have not been answered for lack of time will be answered in writing (see Annex).

(The sitting was suspended at 7.00 p.m. and resumed at 9.00 p.m.)

IN THE CHAIR: MRS MORGANTINI

Vice-President

15. Defence of parliamentary immunity: see Minutes

16. Reform programme of the Polish shipyards (debate)

President. – The next item is the Commission statement on the reform programme of the Polish shipyards.

Marek Siwiec (PSE). – *(PL)* Madam President, I would like to inform you that a Polish trade union delegation is seated in the gallery. They are going to listen to our debate. The delegation includes representatives of the Gdańsk, Gdynia and Szczecin shipyards. I would like to ask you to welcome our friends from Poland.

President. – Thank you, Mr Siwiec; the delegation is very welcome.

Neelie Kroes, Member of the Commission. – Madam President, the Commission is well aware of the historic importance of the Polish shipyards, and that is why we have been working very hard to find a solution that will allow the restructuring of the sector in a way that provides a livelihood for the regions concerned. However, we depend on the cooperation of the Polish authorities to arrive at a viable solution. To be quite clear, the state aid investigation in these cases has been pending for around four years.

The investigation concerns a substantial amount of operating aid to the Szczecin, Gdynia and Gdańsk shipyards. Without even counting the state guarantees from 2002 until now, the Gdynia shipyard received from the Polish state – which means from the Polish taxpayers – aid amounting to around EUR 167 000 per worker. That is approximately EUR 24 000 per worker per year, and that means that the subsidy to each shipyard worker is at least double the average annual income of Polish workers.

Even without counting the state guarantees, the total aid received since 2002 by the Gdynia and Szczecin shipyards amount in nominal value to around EUR 700 million and EUR 1 billion respectively.

Despite all that money, the yards and the future of the workers remain vulnerable. That, I would stress, is what really scares me. I think that the future of the workers needs to be taken into account. They have avoided the painful but necessary restructuring that, for example, the German and the Spanish shipyards have undertaken and which Malta is also preparing for at this moment.

At all times in those past four years the Commission has had an open door for the successive Polish governments. I have met quite a number of ministers and prime ministers of Polish governments. We have tried again and again to reach an agreement and, unfortunately – and I say it with a sad heart – the Polish authorities did not make use of those possibilities.

In July of this year the Commission came to the conclusion that the latest restructuring plans did not ensure the viability of the shipyards, but, again, conscious of the importance of the issue for the Polish economy and for Polish society, we, the Commission, showed flexibility and offered two more months for new final plans to be presented by 12 September.

During the summer, Commission officials remained constantly available and gave feedback to the Polish authorities on the draft submitted to them. I have now carefully assessed the restructuring plans submitted by the Polish authorities on 12 September. Unfortunately, I cannot see how to conclude that those revised final plans will ensure the viability of the yards. Indeed, the plans require even more public money to be pumped in in future, including money for the day-to-day operating aid.

It should also be underlined that the restructuring plans submitted on 12 September – and I am talking about the plans of the Polish Government – foresee job reductions of approximately 40%. However, these sacrifices

would be made without giving any prospect of sustainable employment to the remaining workers, as the yards would very likely not become viable and would continue to need state support at the expense of the Polish taxpayers.

That is not an acceptable outcome. It is not acceptable from the EU competition law perspective, but also not acceptable for the future of the shipyards. Not acceptable to their workers and more generally for the Polish economy. Therefore, as the situation currently stands, I do not see how to avoid the adoption of negative positions on the Gdynia and Szczecin shipyards.

But the Commission is not in the business of just saying 'no'. We have been working actively to help the Polish authorities come up with a solution that would ensure a viable commercial future for the economic centres of Gdańsk, Gdynia and Szczecin and ensure sustainable jobs.

According to this scenario, the assets of the Gdynia and the Szczecin shipyards would be sold on market terms in several bundles. The assets would be put into bundles following an open, unconditional and non-discriminatory tender; and the remaining shell company would use the proceeds from the sale of the assets to repay the aid received over the years and would be liquidated, and the buyers of the assets would then be able to speedily resume economic activities at the shipyard sites, without the burden of having to repay the large quantities of state aid received by the yards over the years. They may re-employ even more people than would be the case if the restructuring plans of 12 December were implemented.

I can only assume that any investor willing to take on the yards – or at least some of their current liabilities – would be even happier to acquire the most important productive assets free of debts and develop them in a competitive and sustainable way. The final outcome would probably be positive in two respects: on the one hand, the number of workers left without a job would be lower than foreseen in the restructuring plan submitted by the Polish authorities and, on the other hand, the workers re-employed by the purchasers of the yards' assets would have much more stable working prospects within viable undertakings, because the burden of past debts would have been lifted.

That solution, which would be in line with the recent precedent of Olympic Airways, would allow a fresh restart of economic activities at the shipyard sites, also benefiting the workers there.

The Commission has raised that possibility with the Polish authorities. We have done that several times, and I sincerely hope that they will take advantage of our flexibility to bring us a concrete proposal. Technical discussions on the possible implementation of the 'Olympic Airways' solution for the Gdynia and the Szczecin shipyards are being held between the Polish authorities and Commission officials.

As for Gdańsk, I think there is a good chance of reaching a positive outcome if there remains flexibility and good will on both sides. You will naturally ask me: why this approach for Gdańsk? There are two reasons: firstly, Gdańsk has already been sold to a private operator which injected fresh money into it and, secondly, this yard's liabilities for past aid are far more limited compared to the Gdynia and the Szczecin shipyards.

On the Commission's side, we have already indicated to the Polish authorities our position in assessing the compensatory measures needed to comply with EC state aid rules. Because the yard has received less aid in the past, we can be less demanding in this respect. The quid pro quo for the openness on the Commission's part is that the Polish authorities must now submit a draft restructuring plan for Gdańsk in order to permit any outstanding issues to be discussed, and so far – and I regret this – we have not received such a plan, and it is essential that the Polish authorities provide it quickly.

Moreover, the Polish Government can request support from the European Globalisation Adjustment Fund – an application which is likely to be successful – and the size of the intervention would depend on the amount of co-funding the Polish Government is ready to invest, as the European Globalisation Adjustment Fund co-finances a maximum of 50% of the cost.

The European Globalisation Fund analysed by the Commission to date the amount per person to be supported, ranged between EUR 500 and EUR 10 000 from the fund, to which must be added an equal amount to be funded by the Member States.

To conclude, I can say that the Commission has been very forthcoming in assessing these cases and has shown a considerable amount of flexibility. We have done everything we can, and we will continue to work with the Polish authorities to find an economically viable and socially sustainable solution which is in line with EC competition law and established Commission precedents.

Now the ball is in the court of the Polish authorities. The future of the shipyards and of their workers depends on the Polish authorities' willingness to cooperate with the Commission to quickly find a positive solution in the framework I outlined earlier.

President. – I would like to appeal to the Members and their sense of discipline and responsibility, because we have very tight deadlines. This evening there are very many items on the agenda, and so I would ask you to respect the time limits scrupulously.

Jerzy Buzek, on behalf of the PPE-DE Group. – (PL) Madam President, Commissioner Kroes, thank you for your presence here today and for addressing the matter of the shipyards, as well as the positive note at the end of your speech.

Of course, we acknowledge the principle of competition, and we want European companies to make profits and ensure a decent wage for their workers. Polish shipyards have, for a long time, had difficulties in applying these principles. However, the Commission's negative decision regarding the shipyards will now result in their bankruptcy, and this situation is difficult to accept.

We accept that the economic and social repercussions of such a bankruptcy would be regional, or national at most, and that the European Union is currently also dealing with a global crisis. However, there is no point in adding the plight of Polish shipyards and Polish shipyard workers to the general economic slow-down. The European and the Polish shipbuilding industries are worth saving. That is why I cannot accept a negative decision, and I am asking for this decision to be postponed, to allow time for the Polish government and for investors to act. We therefore await a positive signal from the European Commission. First of all, during the restructuring period, this will provide an opportunity to ensure that the companies in question remain active shipyards. If the shipyard structure is split up as a result of privatisation, it will not be possible to revive the shipbuilding industry. Secondly, a positive outcome will involve keeping shipyard workers in their jobs or finding suitable new work for them, whilst maintaining continuity in terms of production and employment.

Thirdly, during this period, a small amount of protective action will be necessary to maintain production and ensure that the changes are sustainable. It would be worth identifying the optimal solutions to this situation and I strongly believe that Commissioner Kroes and the Commission will agree to them.

Martin Schulz, on behalf of the PSE Group. – (DE) Madam President, my group requested this debate with you, Commissioner, because we disagree with you in practically every respect. In the current global economic climate, you cannot turn around and say that, just because certain regulatory conditions have not been met, the shipyards must be closed. If you close the shipyards now, in this economic climate, as you just stated, you will throw the entire region into economic disaster, and that is not on. The Polish Government – as well as you in the Commission and we in Parliament – therefore need more time. In such a tense economic situation, you cannot simply say 'certain points have not been met, end of story'.

My second point is this. The argument that EUR 24 000 are being spent on each job is all well and good, but I will tell you something: I used to be mayor of a town in Germany where there was a coal mine in operation, and we were told that too much money was being put into each job, and so the mine was closed down. It took 20 years – 20 years – until we got back half of the jobs that were lost. It will be no different in the Polish shipyard cities. If you say today that it is all over, it will take at least two decades for you to restructure this region.

That is why it is necessary to focus efforts on keeping the sites open, not on closing them. I call on both the Commission and the Polish Government – as do my colleagues in my group – to make every effort to retain Poland's shipyards, at all three sites. That is one of the decisive points that we want from you.

If the Polish authorities have not worked fast enough, if the action plans, the business plans, that you mentioned, Mrs Kroes, are not yet available, then I ask you: must the workers at the Polish shipyards be punished because certain authorities, or the government, have not done their job? That is more or less what you are telling us: the workers are paying the price for the shortcomings of the government or the administration, and that is absolutely unacceptable.

Therefore, mobilising the Globalisation Adjustment Fund is a good thing, but you need to mobilise it so that we can provide help on the ground, so that we can retain the sites, in order to preserve a competitive Polish shipbuilding industry.

This is also an important point for those of us Social Democrats who are not from Poland, and it is also why I am speaking in this debate. The Polish shipyards, sites such as Gdańsk and Szczecin, were an important

symbol for us all of the Polish people's democratic struggle against dictatorship. That is another reason why these yards must not be closed.

Janusz Onyszkiewicz *on behalf of the ALDE Group.* – (PL) Madam President, the problem of the Polish shipyards is nothing new. It has developed over a number of years. Successive governments have unfortunately failed to address the problem in an appropriate way. Why did this happen? This is neither the place nor the time to discuss that particular question. Those responsible will be called to account in accordance with Polish democratic procedures.

However, the situation today is difficult. It is understandable that the Commission could not ignore this failure to act. On the other hand, we have to stress the fact that different scenarios involve different costs. The option of improving the situation by stating that, *de facto*, the shipyards should be closed, clearly involves certain serious consequences. Above all, there will be job cuts. The workers affected may be hired again in the future but, until such a time, they face great uncertainty and serious difficulties.

In addition to this, we have to take another factor into account. I do not want to return to issues that have already been raised, but the whole matter of closing the Polish shipyards, and perhaps the difficult period we are facing, has arisen during the period of European Parliament elections. It would be very unfortunate if these decisions were to provide ammunition for people, and there are unfortunately quite a number of these people in Poland, who still oppose our membership of the European Union.

Therefore, I would like to appeal to the Commission to be as flexible as possible with regard to Gdańsk. Of course, for our part, we will also take action in Poland to ensure that the Polish Government also acts with determination and flexibility.

(Applause)

Elisabeth Schroedter, *on behalf of the Verts/ALE Group.* – (DE) Madam President, ladies and gentlemen, Commissioner, on behalf of the Group of the Greens/European Free Alliance, I call on the Commission to contribute to safeguarding the future of the shipyards.

We are not talking here about short-term restructuring, as is often the case in western countries. We must not forget that these shipyards bear a heavy burden from the past – not only the burden of the socialist state economy, but also the burden of mistakes made during the accession process, in that you as a Commission did not take into consideration the fact that this country was undergoing a difficult process of transformation and imposed, back then, requirements that were unrealistic and did not work towards socio-economically appropriate development. These are mistakes in the process for which you have to share the responsibility.

It therefore makes absolutely no sense now to refuse State aid and destroy jobs, and then to support the redundant workers using the Globalisation Adjustment Fund. What is the use, at this point, of subsidising the unemployed? That would be a huge disappointment for the local people, and the EU would be responsible. It makes more sense to initiate appropriate development for these shipyards, in order to give the three cities of Szczecin, Gdańsk and Gdynia a sustainable future. This is an opportunity that we should be supporting, not just reacting to in hindsight. It is the only option that I can see in this case.

The option we have is for the Commission to say that there will be State aid, but that, within the framework of this State aid, we want these workplaces to be modernised from an environmental point of view, so as to guarantee the long-term future of the sites and to ensure that workers have good long-term jobs there.

Adam Bielan, *on behalf of the UEN Group.* – (PL) Madam President, the seat of the European Parliament, where we find ourselves today, is viewed as a symbol of Franco-German reconciliation. That is the only reason why the European Parliament maintains two seats equipped to hold plenary sessions, namely in Brussels and in Strasbourg. European taxpayers pay several hundred million euros per year for this purpose.

Polish shipyards, particularly the Gdańsk shipyard, are a symbol of the struggle against the Communist government. They symbolise the fall of the Iron Curtain which had divided Europe in two. That is why the flagpoles which stand outside the European Parliament buildings, and which fly flags of the Member States, were made in the Gdańsk shipyards. It is thanks to the heroic actions of Polish shipyard workers, who fought for a re-united Europe, that today we are able to meet here together. These people deserve our respect, they deserve a dignified life and a decent living.

The closure of the shipyards, which is what the European Commission proposes, will involve the brutal dismissal of several thousand qualified workers, and in addition to this, a further eighty thousand people

will lose their livelihoods. Such a move could result in mass economic migration. Polish shipyard workers do not want this to happen, they want to stay in their homeland and work in modern, profitable shipyards.

I therefore appeal to Commissioner Kroes – let us not destroy this great potential. Let us give Polish shipyards a chance to recover from financial ruin. Madam President, I am aware that the current Polish government, and the Treasury Minister in particular, made a lot of mistakes last year. However, tens of thousands of innocent people should not have to pay for Aleksander Grad's incompetence. Especially now, at a time when Western European states are pumping tens of millions of euros into their banking systems, without a thought for the principles of free competition, a negative decision from the Commission would be interpreted in Poland as a sign of bad faith.

(Applause)

Ilda Figueiredo, *on behalf of the GUE/NGL Group*. – (PT) Madam President, the time has come for the Commission to review its strategy with regard to shipyards in the European Union. The shipbuilding industry of our countries has been sacrificed at the altar of neoliberalism and there is a serious risk of destroying what remains, whether in Poland or Portugal.

It is now clear that the global strategy pursued by the European Commission in relation to the competitiveness of the Community shipbuilding sector is inadequate. While there are countries where the shipbuilding industry has recovered, in others this is not happening. Portugal has witnessed the destruction of its most important shipyards, such as Lisnave in Almada, which employed thousands of workers. To date, no rehabilitation measures have been pursued in that area. We still have the shipyards of Viana do Castelo, which are strategic for this whole region and which need support for their modernisation in order to avoid serious new problems.

That is why we must express our solidarity with the workers of the shipbuilding industry, whether in Poland or Portugal or any other Member State, and we must insist on solutions that make this industry viable. If special measures can be adopted for the financial crisis, why are identical measures refused for the shipbuilding industry? That is my question, Commissioner.

Witold Tomczak, *on behalf of the IND/DEM Group*. – (PL) Madam President, Commissioner, solidarity involves working together, and never working against each other. The problem of the Polish shipyards poses a fundamental question – do we serve the economy or does the economy serve us? In the case of banks, whose greed and incompetent management precipitated the financial crisis, the finger was pointed at people, or rather, at bankers. Thus, the world is using taxpayers' money to rescue the financial system, even though pure economics would require judgment to be passed on the guilty parties and the banks to collapse. Unfortunately, a different philosophy is being applied to the case of the Polish shipyards. Is a banker a better person than a shipyard worker?

Polish shipyards symbolise the changes which led to the fall of the Berlin wall and the creation of a new Europe. Banks have made no such contribution to our history. However, it is the banks that we are helping, while we delay the decision regarding the matter of the shipyards. The difficult situation facing Polish shipyards is not the fault of the workers, neither is it due to a lack of skill in building ships. Bad management, political games and murky financial interests linked to the collapse of the shipyards are to blame.

While many shipyards in the old Member States of the European Union received state aid, the Gdańsk shipyard, a symbol of the struggle for freedom and human rights, was being destroyed for political reasons. The financial ruin of the Polish shipyards is of interest to those who expect large profits from taking over their assets and the attractive land on which the shipyards stand. The collapse of the shipyards will clearly also benefit competitors, including those from outside Europe. It is worth stressing that the entire European Union's share of the global shipbuilding industry is three times smaller than that of South Korea alone, which subsidises its shipbuilding industry.

Ladies and gentlemen, it turns out that a significant proportion of state aid earmarked for the shipyards was not used for this purpose. This matter should be thoroughly investigated. Commissioner Kroes, creating development opportunities for Polish shipyards will not only secure the livelihoods of thousands of Polish shipyard workers and their families, as well as those employed in related industries. It is also an opportunity to develop a modern Polish economy, and is in the long-term interest of the European Union, which should support its shipbuilding industry. Thus, hitting the Polish shipyards is at odds with the Lisbon Strategy.

(Applause)

Sylwester Chruszcz (NI). - (PL) Madam President, Commissioner, the situation facing Polish shipyards today certainly requires immediate action on the part of the government, the entire shipbuilding sector and the European Commission. Instead of privatising the shipyards, they should be nationalised with a view to implementing a comprehensive restructuring programme. What sense is there in granting any sort of assistance, if the only solution is privatisation, and the shipyards are to be owned by entities from outside the European Union? That would not only interfere with EU competition rules, but would also involve the loss of a strategic sector of the Polish economy, as more than 100 000 people are currently employed in shipbuilding and in related industries.

Against the background of the global economic crisis, the support recently offered to banks will, *de facto*, lead to their nationalisation and bring them under state control. State aid is granted in order to make a business profitable through restructuring. Such action, for example, could save the Polish shipyard industry. Since 2005, the European Commission has been asking what the public state aid granted to Polish shipyards has been spent on. It would be good if the Commission applied equivalent criteria to similar activities carried out by shipyards in other parts of the European Union.

Instead of closing down shipyards without carefully considering such a step, Poland should call those responsible for the improper management of these companies to account, starting with the management and ending with the central administration. The people responsible for making the wrong decisions in relation to the shipyards should be identified, rather than punishing Polish taxpayers, whose contributions will fund the state aid granted. I turn to you, Madam Commissioner, to ask you to act judiciously. We need time to take appropriate and effective action. I am sure this time will not be wasted.

(Applause)

Czesław Adam Siekierski (PPE-DE). - (PL) Madam President, everyone in my country expects a positive decision from the Commission. We should work to ensure a positive outcome. We should assist with restructuring and modernising Polish shipyards, rather than threatening their closure. The closure of the shipyards in Gdynia, Gdańsk and Szczecin will lead to the collapse of an entire sector of the economy. Hundreds of thousands of people will lose their jobs and people will take to the streets. Is that what we want?

There are many arguments in favour of saving the Polish shipbuilding sector. First of all, experts agree that global demand for ships is rising rapidly. Secondly, the shipyards have full order books for the next few years, which will guarantee their profitability during this period. Thirdly, Polish shipyards have qualified staff and excellent technology, which is a recipe for success in terms of competition with Asian shipyards. Fourthly, the collapse of the shipyards, and the subsequent mass redundancies, will also place a greater burden on Poland's social security system.

The Commissioner's inflexibility should perhaps make us pause to think, especially when we examine the situation whilst bearing in mind the enormous sums spent by certain European countries on saving banks threatened by the financial crisis. Are the two cases really that different? Or perhaps it is only the good will of the Commission that is lacking?

Once again, I would like to ask for a positive resolution to the problem of the Polish shipyards.

(Applause)

Bogusław Liberadzki (PSE). - (PL) Madam President, I am the Member for Western Pomerania. Like Gdańsk and Gdynia, Szczecin, as a regional capital, regards its shipyard as one of its symbols. Commissioner, Ladies and gentlemen, we are currently in the throes of a financial crisis, a crisis of banking institutions and a crisis over the ratification of the reform treaty. The age of liberalism is drawing to an end, and therefore the Commission needs to become more flexible on the matter of state aid, and not just towards the banks. It appears that one bank worker is worth much more in state aid than one Polish shipyard worker.

I propose a motion to recognise the expediency of the state aid given to the Polish shipyards. As state aid, it should not need to be repaid. There has been a delay in reforming the shipbuilding industry. The Commission should not punish 100 000 people in Poland, as the Chairman Martin Schulz put it, because of the neglect and callousness of three governments.

So where do things stand now? The shipyards have investors waiting for a positive decision. The shipyards have restructuring programmes. If these need improvement, that is the Commission's job, as well as the Polish Government's. We know what ships can be built, and what else besides vessels can be produced. The

workers and trade unions are being unusually cooperative. So let us reform the shipyards without shocks, without bankruptcies, without redundancies, and without terminating contracts with suppliers and customers.

We must make the shipyards efficient and competitive. This cannot be done in just a few weeks. It will need at least one year, and that is what I am proposing. You are well aware, Commissioner, that time is needed, and your parallel with Olympic Airways would appear to be inappropriate for the situation the shipyards are in. One year is not much when the fate of almost 100 000 families hangs in the balance.

(Applause)

Hanna Foltyn-Kubicka (UEN). - (PL) Madam President, there is growing bitterness and anger in Poland. Public opinion cannot understand why the European Commission wants to force the Polish shipbuilding industry into bankruptcy. The question people are asking increasingly is: whom does this benefit most? Will the destruction of this industry really be a step in the development of Europe? In the face of a world crisis, when the financial sector is being given subsidies of the order of hundreds of billions, is it sensible or reasonable to demand the return of mere tens of millions in aid given to the shipyards some years back? Is this the time to kill off employers and deprive sub-contractors of their main clients? Are we really prepared for the knock-on effect which, in the face of the present crisis, may have disastrous consequences?

I hope that the rumours of the influence of lobbyists on the Commission's hard line on this have no basis in fact. The idea of solidarity, which, in the eyes of the people of Poland, was born in the shipyards, in simple terms means that we should all look after each other, unless the Commission believes, like some of the creatures in Orwell's *Animal Farm*, that all Europeans are equal, but some are more equal than others.

Filip Kaczmarek (PPE-DE). - (PL) Madam President, I ask the European Commission to accept the restructuring plans for the combined Gdynia and Gdańsk shipyards, and for the Szczecin Shipyard. The Commission should accept these plans not because the Gdańsk Shipyard is a symbol. Being a symbol is important, particularly if it is of the rank of the Gdańsk Shipyard, but even this does not release it from the need to respect the law and general rules. The restructuring plans should be adopted for other reasons – because they are sound, and they are probably the only solution possible. This is because they address the need to modernise shipbuilding, and their implementation will mean upholding the principles of free competition, because it will mean privatisation, and as a result the shipyards will be able to operate independently under market conditions.

We should be pleased that the current Polish Government is the first in many years which is really trying to help shipbuilding out of its difficult position. Mr Bielan is greatly mistaken here, because it is thanks to Minister Gradów that we now have the opportunity for a permanent resolution to these problems.

This morning, President Sarkozy said to this House 'we would like Europe to be united.' Unity also involves an understanding that it is worth creating an opportunity for the rescue of the Polish shipyards. Adopting the restructuring plans would provide such an opportunity. In fact, President Sarkozy also said, 'Europe needs strong industry. Europe has to produce cars and ships.' If the European Commission does reject the restructuring plans, it will mean yet another European country that will stop building ships.

A logical consequence of today's appeal by the French Presidency should be to adopt the restructuring plans for the Polish shipyards. Then we will have the chance of European consensus on this matter, with Parliament, the Commission and the Council jointly contributing to the rescue of the Polish shipyards.

Andrzej Jan Szejna (PSE). (PL) – Commissioner, I cannot agree with one single word of the liberal views that you have expressed here. You proposed quartering the assets of Poland's shipyards, selling them in an unconditional tender, and then putting them in the hands of private investors. In whose interest, I wonder, is this proposition? It is definitely not in the interests of the shipyard workers, nor in the interests of the shipyards themselves, but of the investors.

I would also like to tell you that the proposal you have tabled is unfortunately not possible under Polish law, as it simply means insolvency. Why did you and the Commission not propose quartering the assets of European banks and selling them off in an unconditional tender? Today governments are proposing 10 billion for guarantees for Holland, 10.5 billion for France, 400 billion for Germany, because Europe is a place of social values and solidarity.

I know that some Polish governments have made many mistakes. Unfortunately they have to be rectified now, and the Polish Government needs time now – at least one year – to ensure that these mistakes do not

hit Polish workers. I appeal to you for more time. I appeal to you for social sensitivity and economic common sense. The Polish shipyards are European shipyards.

Ryszard Czarnecki (UEN). - (PL) — Madam President, I remember how some fifteen years ago representatives of the Szczecin Shipyard informed me of the huge amounts of aid the EU and Germany had been giving to the German shipbuilding industry because of competition from the Szczecin Shipyards. I say this now so that it does not suddenly emerge that Brussels applies double standards, that the EU has better and worse shipyards, equal and more equal shipyards, shipyards which are worthy of the Commission's benevolence, and those worthy only of nit-picking.

First the leaders of the four largest Member States, then the eurozone countries, and finally all 25 Member States blithely decided to hand out millions of euro to save banks employing hundreds of people, whilst at the same time putting in the balance assistance to shipyards employing thousands, and tens of thousands if you include sub-contractors. Polish shipyard workers should not have to pay the high cost of redundancy in the strange tug-of-war between the European Commission and the present Polish Government. It is too easy for the Commission to make a decision that will decide whether the Szczecin and Gdynia shipyards sink or swim. If the Commission is to make controversial decisions of this kind, at least give the parties to the dispute some time. Accept the creation of a committee of experts, and do not turn your backs on Poland's shipbuilders and their families.

Urszula Gacek (PPE-DE). - (PL) Madam President, I have heard the debates on the Polish shipyards with satisfaction, and believe that the majority of the Polish delegation has proved up to the task and put forward water-tight arguments, whilst at the same time refraining from pinning the blame on anyone.

We cannot agree to the liquidation, which ultimately will result in the assets of the shipyards being broken up. You cited the example of the Greek airline, where liquidation allowed it to offload its debts and to continue operating. Unfortunately, under Polish law insolvency does not allow for a company to undergo such therapy and to come out leaner and fitter. The therapy would kill the Polish shipyards. But the burden of debt will never allow the shipyards to operate profitably. In a Polish newspaper interview, you said that rescuing debt-ridden banks is a completely different matter from debt-ridden shipyards. The shipyards may have been poorly managed, and difficult restructuring may have been repeatedly postponed, but one thing is certain, and that is that they did not resort to such downright irresponsible and dubious dealings as the banking sector did. It is the Polish taxpayer who has paid for the mistakes of the Polish shipyards, while we are all paying, and will continue to pay, for the mistakes of Europe's banks.

This debate has shown that there is agreement on reforming the shipyards in a way that gives real hope for them to operate profitably in the future. We are all aware that if the Commission accepts our arguments, and Poland squanders this opportunity, there certainly will not be another.

Marek Siwiec (PSE). - (PL) Madam President, Commissioner, is this not a time to acknowledge that something new is happening in Europe, and in the world? Is this not a time for a slight shift in our sensibilities and our thinking? Is it not time for us to admit that there are not two sides in this conflict, but only one? One side on which we are together, and in which we want to do something good? Is this not a time to show Polish workers and the Polish people that the European Union actually can do good in this particular situation?

I would like to encourage you to come over to the good side. I would like to encourage you to strengthen your sensibility and your imagination, and stand on this new side, because right now the course of history is shifting, and you have the opportunity of being on the good side.

(Applause)

Dariusz Maciej Grabowski (UEN). - (PL) Madam President, the banks and financial institutions have had hundreds of billions of euro made instantly available to them to protect the free market and the European Union. Not even a nominal sum has been made available the Polish shipyards, while the financial institutions were those whose speculation led to the world crisis, and a more than 30% appreciation in the Polish currency led to the collapse of the shipbuilding industry there.

Today the Union is giving aid to those responsible for the crisis from the pockets of its citizens, while the victims are liquidated. The sentence imposed on Poland's shipyards is also a gift to Germany's shipyards, which after 1989 received hundreds of billions of Deutschmarks in non-repayable subsidies. The loss of more than 100 000 jobs, mainly in Poland, is a price the people of Poland, and not the European Union, will pay.

Should the people and the places which triggered the Solidarity movement, the fall of the Berlin wall, and the liberation of Europe, fall victim to arbitrary decisions from Brussels which have been taken in the interests of speculators who want to make a killing over the rubble and wasteland of the shipyard? We demand decisions by the Commission which will help to rescue and develop the shipbuilding industry.

Janusz Lewandowski (PPE-DE). – (PL) Madam President, Commissioner, after so many speeches, and mostly Polish ones, I have only two comments. First of all, I refer to the letter which the Polish delegation in the PPE-DE Group sent to President Barroso to remind him that, behind the iron curtain, shipbuilding was regarded as a Polish speciality. Hence the relatively high level of technology and good quality of human capital. This was a kind of dowry, which we brought to a united Europe, and this can be seen in the small and medium-sized enterprises that are performing well today, but is concealed also the in potential – including the human potential – that resides in the three shipyards we are discussing today. Today, the credibility of plans for the shipyards is determined by the interest of current and potential private investors, who want to risk their own money in the future of these sites.

My second remark is about the wisdom of competition policy in the present unsettled times. This wisdom cannot simply end at ensuring fair relations between competitors in the European area. It should also face the global situation and take that into account. It must face up to competitors who sometimes play a different game – while we play football in Europe, they play rugby. The fact that the results are not always good can be seen from an example from beyond Poland's backyard. You have probably heard of the Aker Group, the most powerful shipbuilding group in modern Europe, which brought together Scandinavian, French, German and even Brazilian shipbuilding, I suppose to counter competition from the Far East. But the Aker Group has long since gone. It has become STX of Korea. Something did not quite work out there. So it is all the more important in our troubled times to make decisions which will bring stability rather than danger, and that also applies to the Polish shipyards.

(Applause)

Dariusz Rosati (PSE). – (PL) Madam President, Commissioner, you have put forward a plan which really can become a basis for the successful restructuring of Poland's shipyards. The Polish Government has already started intensive work on this plan, but the key factor is time. We appeal to you for suspension by the Commission of its decision regarding the shipyards. We appeal for more time for the Polish authorities to prepare a programme which can promise success, and which will save 100 000 jobs in Poland. It will also help Europe retain an important industry capable of competing in the international arena. I have at least two reasons for asking for more time. Firstly, the plan you propose requires considerable legislative changes in Poland, and this cannot be done in a matter of weeks, but will take several months. Secondly, the current situation affects us all. The financial crisis threatens a general European crisis. The last thing that Europe needs right now, Commissioner, is the collapse of an entire industry.

(Applause)

Zbigniew Krzysztof Kuźmiuk (UEN). – (PL) Madam President, there are three issues I would like to raise in this debate. Firstly, the financial aid that has been given to the Polish shipyards is targeted aid. In consequence, the European Commission should not demand its repayment. Secondly, the support for Poland's shipyards is support for European shipbuilding, just as was the support at one time given to the East German shipbuilding industry. The European Union needs a modern, productive shipbuilding industry, from which European shipping operators will order vessels. Thirdly, the levels of state aid that Polish shipyards have received until now, and the amount of aid predicted for the future, are nominal compared with the almost EUR 2 billion in aid reported to have been placed at the disposal of Europe's private banking sector. What is more, the governments of some Member States are making such hasty decisions on this that they do not even have time to inform the European Commission of them.

The European Commission's suggestions, that the best solution for the Polish shipyards would be to restructure them by setting up separate production companies, is unacceptable, as this would most likely mean dismemberment of the assets of the shipyards, thereby depriving the yards of their ability to build ships.

Zbigniew Zaleski (PPE-DE). – (PL) Madam Commissioner, on the one hand I appreciate your understanding of the historical and moral dimensions of these shipyards. On the other, I believe that you are too intelligent not to understand that the economic argument no longer holds water. In my view, what we are doing for the banks and what we are failing to do for the shipyards does not stand up to scrutiny. I also believe that in a difficult situation, we need to make courageous decisions. Perhaps this is that opportunity.

Thirdly, if I were to paint a gloomy scenario of bankruptcy and of assets being sold off to investors, probably somewhere outside Poland, as there are none in our country, I imagine it would be the same as Siemens or Airbus being managed by the Koreans. The point is, that if such a large national industry as shipbuilding were in other hands, would Poland and Europe benefit from this?

Bogdan Golik (PSE). – (PL) Madam President, Commissioner, as in July and September I twice asked a question to which I did not receive a written answer, I would like to ask it orally now. The question was whether it was true that on 20 June at the meeting between the European Commission and a delegation of Ulstein Group (one of the investors), a certain Mr Soukup, representing the Commission – and I quote the European Commission's notes here – when asked about the suggested purchase price for the Szczecin Nowa shipyard, indicated that, bearing in mind the high liabilities and losses, it would not be high. In this context, he asked why the Ulstein Group was not considering buying the assets after the eventual insolvency proceedings which will be initiated when the decision has been made for repayment of the aid. He stressed that if the assets in insolvency are taken over, there would be no possibility of support for restructurisation, but it would, however, be possible to receive assistance as part of regional support for new investments and for creating new jobs. In my opinion, as an experienced businessman, this constitutes suggesting to an investor to hold back and to act against the company's interests. Was this the case, Commissioner?

Ewa Tomaszewska (UEN). – (PL) The Gdansk Shipyard, the cradle of solidarity, the chief actor in the struggle against communism, a shipyard which suffered discrimination and which by the political decisions of the communists was brought to a poor financial condition, today awaits a positive decision from the European Commission. The same can be said of the entire shipbuilding industry. Polish shipbuilding is not alone in depending on this decision, for the situation of the European Union's shipbuilding industry in the world also depends on it. There is the problem of competition from Korea, and from countries which not only give public subsidies, but which reduce standards of employment, and which do not respect the rights of workers. Here the competition will not be fair competition, if the shipyards are given worse treatment than the banks, which used unfair means to encourage mortgage lending.

Zdzisław Zbigniew Podkański (UEN). – (PL) Madam President, Commissioner, the collapse of the Polish shipbuilding industry is necessary neither to Poland nor to the European Union. We therefore have to find a solution together.

Firstly, the European Commission needs to withdraw its demands for repayments of public funding, particularly as the bulk of these were backed by government guarantees to the borrowers. Secondly, asking the shipyards to pay up at a time when the European Union is retreating from the market economy and nationalising the banks is unfair and undermines the purpose of the European Union.

Thirdly, the economy in the European Union and in Poland must develop. Development cannot be based solely on liquidating or limiting the production of individual industries. Fourthly, the desire for liquidating the shipyards, the birthplace of the Solidarity movement and the changes in Europe, may result in a defensive reaction of public dissatisfaction on a large scale, which nobody needs at the moment. And fifthly, in the European Union almost one hundred million people are already living on the threshold of biological survival. Why multiply poverty?

Marcin Libicki (UEN). – (PL) Madam President, we are without doubt witnessing a crisis of confidence in the European institutions, a crisis in Ireland, Holland and France. But not in Poland. At least, not so far. Poland has confidence in the European institutions. Unfortunately, if the shipyards are eventually prevented from operating and gradually reforming, Poland, too, may experience a crisis of confidence in the institutions of the European Union, because it is obvious to everyone that there are two measures, two standards: they were different in the case of the former East Germany, and they are different for the banks. We can speak of the differences of scale, but this will not be understood by those who are losing their jobs. When I had the honour of visiting the Polish shipbuilders with the Commissioner, I had the impression – and probably the correct impression – that you want to find a good solution. I therefore ask you to find what is really the best solution possible, and to give these shipyards a chance. Thank you very much.

President. – I apologise to Mr Janowski, Mr Wojciechowski and Mr Pęk, but I am afraid it is not possible to continue. I was active in trade unions for 30 years and I understand the tragedy and drama involved, but I must give the floor to Commissioner Kroes.

Neelie Kroes, Member of the Commission. – Madam President, I am impressed by honourable Members' involvement with this dossier and I have paid great attention to all the remarks made this evening.

I want to do my utmost to give you an answer and, if you will allow me, I shall take a little time and try to explain what the reality is at the moment.

Mr Buzek started by giving an explanation of the situation in Poland, and he rightly mentioned that we should be prepared to offer a positive solution to maintain business activities. We are offering a positive solution to maintain business activities. If investors are interested in shipbuilding, as some say they are – and we got that message not only from one member of the government but also from different sides – then they can bid for the assets, and that is what I was underlining. Please take into account that, as far as the Commission is concerned, the solution could result in viable economic activities in Poland. We have to talk about viable economic activities, because I do not want to present the workers who are involved with something that is not viable.

It has taken too much time. All those people have the right to know what is going on and what their future will be, and no one is expecting that we will just say: let us go on, what the hell, what can we do now, let us just continue with what we have been doing. We are aware that this is not a viable situation any more. Having said that, we, the Commission, did our utmost to come up with a solution.

Therefore, as I said earlier, firstly, for Gdańsk, the Polish Government should offer us a business plan in which there is a viable future. All the craftsmen there can do an extremely good job and are already doing a job which there is good reason to think could be expanded – after all, it is privatised, the owners have made investments and there is a possibility that this can continue. However, we badly need a business plan, and that is what I am asking you for. You who are so involved in the Polish situation should just address your Polish Government and say: 'Come on, boys and girls, now you have to deliver. We, as Members of the European Parliament, no longer accept the fact that you are not delivering.' In other words, they are not delivering a solution to the question that you have in mind.

Assuming that the Gdańsk side of the problem is approached in the way I mentioned, then I will now come to the two other shipyards. I have just described to you that Gdynia and Szczecin could be approached with an employment future that is viable. That is what we are talking about, and that is why I mentioned the example of Olympic Airways. Of course, they are completely different: one is shipbuilding and the other is flying. But, having said that, the original thought behind the Olympic Airways solution was liquidation and then assets, without the burden of paying back all those large amounts of money, and then, with the new investors, giving these undertakings an opportunity to find a viable future.

Mr Schulz, we did not say that the yards should be shut. We are seeking a way for them to be strong enough to resist the coming recession and with the activities which are most likely to be profitable on those sites, and there lies the opportunity for both of the shipyards, once the assets are bundled, taking into account that there are a couple of potential investors who are interested in just giving them a viable future.

Ms Schroedter, the Polish yards have had a longer transition than the East German yards, and during a booming period of the economy. Not only Mr Chruszcz, but also Mr Czarnecki, if you are comparing this to the situation in the German shipyards, – and it is right to say that there is a parallel with the German shipyards – then I have two general remarks.

Firstly, we need to realise that the shipbuilding industry in other countries, such as Denmark or the UK, where the public purse was not so generous, was considerably downsized or even closed. I have some claim to know about this: in my own country quite a number of shipyards had to be closed. So if we speak about equal treatment, we need to take into account that in other Member States of the European Union there is a history of closing shipyards which can no longer be viable.

A couple of Members made the comparison with the situation in Germany. The total size of the three shipyards in Poland – Gdynia, Gdańsk and Szczecin – is comparable to the size of the German shipyards prior to their restructuring, and the aid already granted to the Polish shipyards in the period 2002-2008 is also comparable to the aid granted by Germany to its shipyards – around EUR 3 billion. So there is a basis for comparison.

However, from both the perspective of competition distortion and of safeguarding stable employment, the length of the restructuring process in Poland is an aggravating factor. Whereas the shipyards in Germany were privatised in 1993 and finalised their restructuring in 1995-1996, the Polish shipyards have continued subsidised operations for a very long time, since well before the Polish accession to the EU, and have been bailed out several times since then.

I have mentioned before that now, in 2008, more than four years have passed since the accession of Poland to the EU, and eight years since the first state aid rules were introduced in Poland in 2000 pursuant to the

1994 Association Agreement. In addition, the shipbuilding industry has been benefiting from an unprecedented boom over the last five years. That should also be taken into account: even during a period of a booming sector, it was not possible to put the Polish shipyards in a viable position, so that is something we have to take into account. Even during that period things were not working properly in a way comparable to the other shipyards.

So if we take into account that the boom, with an assured inflow of orders and ever-increasing prices, created favourable conditions for conducting a far-reaching restructuring in Poland, then that chance has not been utilised by Poland. Industry experts already forecast a downturn, an overcapacity in the world market in the two or three years to come.

To conclude, the comparison with Germany might be meaningful. Yes, it is close by; yes, it is nearby a comparable situation. It shows that the Polish shipyards are treated exactly the same as the German shipyards. The same criteria are applied when assessing the state aid, with viability being the most prominent of them.

Finally, a parallel should also be drawn with cases where the Commission has not authorised state aid and even ordered recovery of illegal state aid in other Member States. In the shipbuilding sector I recall negative decisions ordering repayment of aid – as some of you will remember – with regard to the Spanish public shipyard IZAR, to Greek shipyards and a couple of other ones.

If Mr Bielan is saying – as I too said in my remarks – we have taken years, then this is because of the economic, social and symbolic importance of the yards. Yes, we did. I dare to defend that, but the best thing we can give to the heroes of the yards is a viable future, and that is what I am asking you for: just a realistic approach, the approach that those heroes deserve.

A question was asked about European shipbuilding. The Commission, in cooperation with the European shipbuilding industry, is actively implementing an integrated strategy – and we call it ‘Leadership 2015’ – aimed at increasing the competitiveness of the shipbuilding industry in all the Member States of the European Union. In that context, work is ongoing in helping industry in Poland and elsewhere to address the key challenges facing the sector by, for example, facilitating innovation and better protection of intellectual property rights. Continuous subsidisation cannot be an answer to challenges to competitiveness.

We in the Commission, like you, are interested in a viable industry that can operate without state intervention and without state aid and compete on its own merits. That is the case for many shipyards in Europe, particularly in the sector of technologically sophisticated vessels.

Mr Tomczak and a number of other Members compared the financial sector situation of today and the banking situation, and who does the economy serve? The declining EU share of world shipbuilding will not be reversed by keeping yards in unsustainable activity, and Mr Chruszcz and Mr Tomczak touched on the general line with the financial crisis. I tried to explain this in my first statement. I would like to say a little more on the questions asked by some of you.

A question was asked about the possibility of applying state aid rules less strictly in the light of state aids currently approved by the Commission for financial institutions. This is an interesting question, and it is not only within your meeting of today. But it is also a fact that we have to see why the Commission seems to be stricter in the Polish shipyard cases, while it authorises massive aid to European banks.

The situation of the Polish shipyards, if you will allow me to say so, is completely different to that of the banking sector. There are two reasons, which I shall explain to you. No 1: the bankruptcy of a major European bank could trigger the collapse of a number of other financial institutions and produce systematic negative effects on the whole economy of one or more Member States. So we are currently considering emergency short-term aid measures for banks, as opposed to restructuring aid spread over many years for the Polish shipyards. By the way, if banks were to require longer-term state support, they too would be subject to similar requirements to the Polish shipyards. They have to deliver a credible restructuring plan. They have to ensure a long-term viability for their beneficiaries. So it is indeed a fact that, within the banking sector at the moment, we are also approaching the banks with restructuring and viable business plans for the future.

I do not see why some of you are so concerned with the nationality of the purchasers of the assets of the yards. If they are the ones who are the real entrepreneurs and if they are the ones who are interested in those assets, let us go for it. We owe it to the workers of the yards to seek a solution without regard to nationality or protectionism. That is not the answer I would like to give to the workers who are interested in their jobs, in jobs that are viable.

I am very glad that a couple of Members recognise that the yards are flexible and that we do not make a religion out of it. If only producing ships is the only opportunity, I think we are not dealing with these cases in a professional way. There should be sustainable production of whatever product over there with the craftsmanship of those people. If demand is growing and the workers and the yards are competent, which I believe – as you were mentioning – then we can give them a chance by freeing them from the burden of past state aid.

I shall try to conclude, as I can read your body language. One of the main issues that I was faced with is: can you not give more time? Is that the way we should deal with this very difficult issue? I think that all those workers have the right to ask us to come up with a viable solution for their future. What we, the Commission, are presenting and what we are asking the Polish Government and where we badly need your backing towards the Polish Government is that they are aware. Just deliver the business plan for Gdańsk. Please, please, please. And just be aware that for Gdynia and Szczecin there is an opportunity.

There is a future, but then we have to act in such a way that the burdens of all those to be repaid state aid over recent years are taken off the assets and that, with the assets in a bundling, there is a new future for activities in both yards and in both areas and regions.

It is absolutely crucial that those assets are not with that burden, for if there is that burden on the shoulders of those assets then there is less interest from investors. That, indeed, is the law of just thinking over the solution. If the liquidation is to be done, it can be parallel, and if it is parallel then it does not take that much time.

If I had to face all those workers, then I would prefer to say, please go with this solution which the Commission is offering. If you accept it, it can be done quickly, and do not tell me that, because the law in Poland is the way it is, you cannot change a law. I am not absolutely sure that the law is able to fit in this solution, but if that is the case then you can just act as a government. With my experience in the last century in another position, I know – and I knew – that if you want a solution, there is a way out. I ask you from my heart, for all those workers: please address the Polish Government.

President. – The debate is closed.

Written statements (Rule 142)

Andrzej Tomasz Zapalowski (UEN), in writing. – (PL) Madam President, observing the current activity of the Commission concerning the Polish shipyards has reaffirmed my conviction that Poland should not have joined the EU under the conditions offered a few years ago. Millions of my fellow countrymen were of a similar view, but the majority were deceived into thinking that the EU would help Poland to reach the levels of development of the 'old' EU. This applies not just to the shipyards, but to many other areas, such as agriculture. I am in favour of my country participating in the European Community, but I oppose, and protest against, Poland being treated like conquered territory from an economic standpoint. I can see how the former communist East Germany, or indeed the banking sphere, are subject to different criteria. They are allowed state aid.

Today, when the fate of the Treaty of Lisbon hangs in the air, I am convinced that from the economic view, it will make Poland entirely dependent on the bureaucracy in Brussels. That is why in the coming elections to the European Parliament, the peoples of Europe must support the politicians who will say 'no' to this treaty.

17. Promotion of clean road transport vehicles (debate)

President. – The next item is the debate on the report (A6-0291/2008) by Dan Jørgensen, on behalf of the Committee on the Environment, Public Health and Food Safety, on the revised proposal for a directive of the European Parliament and of the Council on the promotion of clean and energy-efficient road transport vehicles (COM(2007)0817).

Dan Jørgensen, rapporteur. – (DA) Madam President, every day there are Europeans who become ill because of air pollution. Every day there are Europeans who die because of air pollution from traffic in Europe. We also know that we are facing extreme climate changes, which are not least due to the fact that too much fuel is being used by the transport sector. For those two reasons, this is extremely important legislation that we are debating in the House this afternoon. For those two reasons also, this is an extremely important

compromise that we have successfully negotiated between Parliament and the Council of Ministers and that we shall, I hope, adopt tomorrow.

What we would be adopting is an obligation on the part of European authorities to play a much greater role in combating air pollution. What we are adopting is an obligation for authorities to take account of more than the price in pounds and pence or euros and cents when making a decision to purchase a vehicle, whether it be a refuse collection lorry, bus or other vehicle they use to carry out public sector tasks. Account must also be taken of the costs to health, the environment and the climate of the fact that vehicles emit different types of particles and that, in burning fossil fuels, they cause increased pollution and thus more global warming.

We are not compelling local authorities to choose the most environmentally friendly solution, but we are forcing them to take account of the consequences in terms of health and the environment when making their calculations. We are also creating openness and transparency in connection with the decisions made. I am thus also certain that far more public authorities in Europe will make the correct – that is to say, the green – choices rather than the short-term, albeit perhaps cheaper, options involving calculations merely in pounds and pence. Moreover, that is the whole purpose of the proposal.

What is more, the proposal will presumably, I hope, have some direct environmental impact because the public sector is in actual fact responsible for a large proportion of the purchases of a wide range of vehicles: for example buses, with public authorities in Europe accounting for approximately a third of bus purchases. Over and above the very direct environmental impact, this proposal will also have a secondary effect, as we want to create a demand for special environmentally friendly vehicles – a demand that can drive the market and that can make it profitable for industry to develop new, better and more environmentally-friendly vehicles, and before legislation requires them to do so.

I think it important to emphasise that this is not a very bureaucratic arrangement. It is not a question of imposing a whole lot of onerous rules on local authorities. Nor is it a question of creating a huge amount of red tape. On the contrary, we have put together an arrangement that is very easy to implement and roll out. It is an arrangement that also contains exemptions wherever they may be required and, especially, one that ensures that a country already in possession of an efficient system that takes account of the impact on health and the environment of vehicle purchases can retain that system.

As has already been pointed out, we have successfully negotiated an agreement, a compromise. In the process, I believe we have also sent an important signal that we stand shoulder to shoulder here in Parliament where this important piece of legislation is concerned. I should like to thank all the shadow rapporteurs and the Commission for its constructive cooperation. I should also like to thank the French Presidency for the focused effort it too has made to reach this compromise. I am proud that, tomorrow, we can vote through a piece of legislation that will reduce pollution in Europe and whereby local authorities will be in the driver's seat in the fight against global warming and the fight against the air pollution that makes many Europeans ill every year.

IN THE CHAIR: MR COCILOVO

Vice-President

Antonio Tajani, *Vice-President of the Commission*. – (IT) Mr President, ladies and gentlemen, as you know, the objective of the proposal is to increase the presence on the European market of energy efficient vehicles that produce low levels of pollution, with the aim of reducing both energy consumption and emissions of CO₂ and other pollutants. These measures will benefit citizens who live in large towns and cities, who now account for the majority of Europe's population.

First of all, I would like to thank the rapporteur, Mr Jørgensen, and the shadow rapporteurs, for their commitment and constructive input, as well as the close collaboration that has taken place in the interinstitutional discussions throughout the summer. This collaborative process has enabled us to produce a compromise text which has received broad support at first reading.

The provisions of the proposal for a directive stipulate that public bodies and companies, and also companies offering a public passenger transport service, must include energy consumption and the emission of CO₂ and other pollutants among the criteria for selecting vehicles procured by means of competitive tendering. The procurement decision would thus in future not be based solely on the price of the vehicle but also on the environmental costs that it involves throughout the vehicle's life. At the same time, the proposal leaves

an option for local authorities to decide on the details of implementation of the provisions, and thus fully abides by the principle of subsidiarity. The legislative text which we are approving does not bring in new administrative procedures. The proposal is thus perfectly consistent with the existing regulations on procurement and public services and all the provisions contained in them, such as those on exemption thresholds, remain in force.

Furthermore, the proposal represents a major step forward in Community policies on energy, climate and the environment. The directive will incorporate general parameters for energy consumption, emissions of CO₂ and emissions of other pollutants into procurement through competitive tendering. The public sector in Europe will therefore serve as an example, promoting more advanced innovative technologies in order to produce sustainable transport systems in the future. In my view, this is a very clear message, and it can be transmitted by local public concerns or those that produce local services in relation to the very important sector of pollution reduction.

Furthermore, the proposal introduces the sustainable economy into public tendering for the supply of vehicles, without giving rise to higher costs. Instead, the impact that the vehicles will have throughout the period of their use will be forecast and made transparent before they arise. Therefore, the purchasing of public transport resources will be decided on in a rational manner so that higher costs can be avoided, both for operators and for public transport companies themselves.

The effects of the directive – and I am just finishing, Mr President – are anticipated to go far beyond its immediate sphere of application. Public procurement procedures are a key, high-visibility market and they can influence decisions taken by companies and private individuals. It can be anticipated that, thanks to this directive, in the long term clean, energy efficient vehicles will come in greater numbers onto the market and there will be a reduction in their costs through economies of scale. As a result, energy efficiency will rise and emissions of CO₂ and other pollutants will fall for all vehicles circulating in Europe.

Now I would like to hear what the MEPs that are to participate in the debate have to say, so that at the end of the debate I can provide the necessary clarifications to them. I hope that, through this debate, we can achieve a positive outcome and that the revised proposal for a directive can be adopted.

Andreas Schwab, *draftsman of the opinion of the Committee on the Internal Market and Consumer Protection*. – (DE) Mr President, Commissioner, ladies and gentlemen, I should like to start by saying that it is clear from this draft report that environmental protection and climate change really matter to the whole of the European Parliament and to all of its committees, but also to the Commission and the Council.

I therefore think that we can certainly get behind Mr Jørgensen when he says that everyone in Europe should pay attention to reducing pollutant emissions and that environmental and climate protection factors play an important role in the procurement of vehicles. However, the environment and climate change must also be a matter for the people, for the citizens of the European Union themselves – it must be an autonomous concern, in other words a concern for those who purchase cars or buses in the European Union. I therefore continue to wonder whether the provisions we are proposing here will really strengthen citizens' consciences in this matter in the end, or whether they will in fact weaken them, and whether this directive actually serves the objectives we are aiming for at all, or whether it will actually just create yet more frustration at alleged Brussels bureaucracy.

As I see it, there are a multitude of examples in many European countries showing that hydrogen-powered vehicles and low-CO₂ vehicles are already being purchased today, without this directive – in other words, there is already an environmental awareness. I rather doubt that a directive will really bolster this, because in my view the directive does very little, and it is not true, as you claim, Mr Jørgensen, that the environmental effects will be particularly large.

Our target ought to be to raise the awareness of purchasers, and not necessarily to influence 1% of the passenger car market and 6% of the truck market with this directive. I think that the impact will be relatively small: the tendering conditions will be relatively extensive and ultimately the national implementation will dominate the decision. This means that it is quite possible, at least according to the Council's legal services, that environmental effects will have a weighting of only 1%, and thus that the impact on the environment will be relatively small.

However, the directive will also do no harm, because in the end all those involved will be able to carry on more or less as before. That is an achievement of the Council and of the shadow rapporteur in the Committee on the Environment, Public Health and Food Safety, Mr Hoppenstedt. The opinion of the Committee on

Internal Market and Consumer Protection, of which I was the draftsman, also took a position along these lines, and it was possible to make considerable improvements to the directive in the trilogue.

I therefore think that there are certainly some positive points that are worth emphasising, because some of the directive's bureaucratic teeth have been pulled. It now provides the Member States with the option of laying down technical requirements for tendering, which gives a considerable degree of flexibility. It also states that specialised vehicles are generally not included in its scope.

Nevertheless, there is still the risk of zero weighting, and I would therefore say, in conclusion, that the directive is trying to reach the right destination by the wrong path. The amendments that came out of the compromise in the trilogue mean that – assuming it is implemented at national level in a way beneficial to contracting entities – in many Member States it will in all likelihood have almost no effect.

Those involved in the EU institutions need to ask themselves whether this directive, as it currently stands, still – following the admittedly difficult compromise in the trilogue – actually meets the goal for which it was intended. The quality of its provisions depends almost entirely on their transposition by the Member States, in which case there is no real need for Community-level regulation.

I would point out once again that, regrettably, this directive ultimately applies only to 1% of passenger car sales and 6% of commercial vehicle sales, and will therefore unfortunately not be of very great benefit to the environment.

Silvia-Adriana Țicău, *draftsman of the opinion of the Committee on Transport and Tourism*. – (RO) The directive introduces green criteria among the criteria examined for purchasing clean and energy-efficient road transport vehicles. Member States will inform the contracting authorities and entities which provide public passenger transport services about the provisions relating to the procurement of environmentally friendly vehicles.

The Committee on Transport and Tourism is proposing that Member States and the Commission consider the eligibility of urban mobility projects for financial support and the promotion of environmentally friendly vehicles during the mid-term review of the national strategic reference frameworks and national and regional operational programmes. Similarly, urban transport initiatives and the Civitas and the Intelligent Energy-Europe programmes must be continued.

The Committee on Transport and Tourism has suggested the use of the label 'clean and energy-efficient urban road transport' by the authorities whose purchases of environmentally friendly vehicles account for the largest share in the total annual specific procurement. I would like to congratulate the rapporteur and I am sure that this document will change the attitude of local public authorities towards the environment.

Karsten Friedrich Hoppenstedt, *on behalf of the PPE-DE Group*. – (DE) Madam President, the Commission proposal before us on the promotion of energy-efficient vehicles is a revised version of the original proposal that we rejected two years ago. The new Commission proposal represents a considerable improvement. It has to be said, however, that this text too contains numerous points that can be criticised, such as the absence of an impact assessment, the relatively small market share of the vehicles concerned – a point that has already been made – and, not least, the compulsory inclusion, in contravention of legislation by the European Court of Justice, of environmental criteria in the applications procedure.

These defects have been exacerbated by the agreement in the lead committee, which would produce rigid and bureaucratic regulations. This outcome would have been unacceptable to me. Within the framework of promoting a compromise – and this is something positive to be noted – the content has been completely changed in conjunction with the Council and the Commission – so that there is now a text to be agreed on in plenary that can be supported.

Flexibility for the municipalities is at the heart of this. The Member States are free to set their own guidelines, replacing the standardised methodology of the Commission proposal. In Germany alone am I aware of numerous standards governing the procurement of environmentally friendly vehicles. These standards are already being used successfully today and, according to what is stated by our municipal associations, should remain in this form in the future. In these cases, no new obligations are to be expected, therefore.

For Member States without corresponding regulations, the text presents, on the other hand, guidelines for an environmentally friendly procurement policy. If, however, Member States should opt for the model developed by the Commission, they can now count on simplified procedures. In the case of procurements of up to EUR 249 000, no formal applications procedure needs to be set in motion. The *de minimis* threshold values apply. Special vehicles too are excluded, as we have heard.

The compromise text is supported by the Council and the Commission and is accepted by the municipal associations, as well as by the motor industry. Even if it had perhaps been possible to dispense with the whole legislative text, there are practically no contrary interests left. Overall, I recommend falling in with the compromise approach.

Inés Ayala Sender, *on behalf of the PSE Group*. – (ES) Mr President, I firstly want to thank the rapporteur for his persistence on an issue that Parliament initially rejected. I also want to thank the European Commission for also having persisted with this issue, by presenting a revised text which is fundamental given that it uses an instrument that is already available, namely the capacity of local authorities to promote exemplary public procurement, particularly in an area such as clean road transport vehicles, which are now vital.

I also welcome the fact that a risk was taken in speeding up the process which, I hope, can now move forward, just as happened with the pact or conciliation.

I also welcome the support for and recognition of initiatives such as City-VITALity-Sustainability (CIVITAS) and Intelligent Energy Europe, which form the basis for this kind of programme. We hope that this support will continue, together with recognition of the participation of all stakeholders, including the support expressed for hydrogen.

However, as regards supply infrastructures, I must regret that, in the end, we have not been able to use an instrument from the field of transport which has been rejected to a certain extent by this Parliament, namely trans-European energy networks, which were previously proposed but not in the end accepted.

There has been talk about all the funds and all the state aid, but no particular fund or programme of trans-European energy networks has been identified. There has been some dragging of feet in recent years with regard to these and yet, for the supply of new alternative fuels, such as gas or hydrogen, they are now vitally necessary.

I would therefore ask Commissioner Tajani whether, in the future, when reviewing this text or perhaps even before that, he could present us with a proposal in this respect: namely, to use this instrument of the trans-European energy networks to ensure the supply of these new fuels in one of the areas where there is the greatest need, in other words the area of these essential infrastructures for new fuels.

Vittorio Prodi, *on behalf of the ALDE Group*. – (IT) Mr President, ladies and gentlemen, I would like to thank Mr Jørgensen for the report. I believe that this really is an action that is consistent with the entire energy and environment package that we are debating. It will certainly have an effect on public procurement procedures, undoubtedly guiding the choices made by the institutions, but first and foremost – upstream of that – guiding the choices made by manufacturers.

This truly equates to the presentation of a coherent framework of specifications that vehicles will have to meet in relation to both the parameters for reducing greenhouse gas emissions and other parameters directly relating to pollution and health.

A monetary evaluation would also be of some concern: as far as carbon dioxide is concerned, this is already a current topic for the Kyoto Protocol in terms of emissions trading. In other areas, it would also strictly mean a monetisation of health, or a monetary evaluation of health. It is clear, though, here that the specific aim is to find points of comparison, certainly not to encourage but rather to reduce emissions, including those that have an impact on health. Thus, there are technical specifications for energy efficiency and environmental performance.

That is the major opportunity which this directive offers. The situation is therefore clear but it does not restrict the choices available to institutions. I am rather amazed by the opposition voiced, which seems to me to be full of preconceptions. This directive makes a strong suggestion to the institutions, but in my view it is directed above all at vehicle manufacturers.

Margrete Auken, *on behalf of the Verts/ALE Group*. – (DA) Thank you, Mr President, and thank you Mr Jørgensen for your frank and constructive cooperation. The law that we shall, I hope, adopt tomorrow is a necessary one. Experience from, in any case, Denmark, where Dan Jørgensen and I come from, has taught us that, if we do not create proper frameworks for green purchasing, we never move beyond the talking stage. Public authorities choose the cheapest offer, not the greenest one. It is therefore right to make it compulsory for European authorities to take account of, for example, CO₂ and particle emissions when they are about to invest in new vehicles. We should ideally have liked to see all authorities use a common method of factoring environmental impact into their distribution of tenders, so that it became clear that the polluter

paid. The internalisation of external costs, as we call this principle, is something that we all want to see. It would also give producers a degree of security in relation to the distribution criteria used. However, we are happy to live with the solution we have come up with in this House, whereby local authorities and the State itself can choose whether they want to impose specific requirements in connection with fuel consumption and particle emissions in their tender material or whether they want to use a model in which a value is placed on the vehicle's environmental impact, which thus becomes part of the basis of the contract. In this connection, we are satisfied that the price, which the proposal sets per kg of CO₂, more closely approximates to the anticipated market price. Only in this way is a strong incentive created for developing clean buses, lorries and private cars. It is a shame that, in the committee, we could not obtain a majority for imposing the same requirements on the trade in used vehicles. There are no technical reasons for not applying them in this connection too. By only applying them to new cars, it will be too long before the beneficial effects of the proposal filter through, and we do not in actual fact have time to wait for these entirely necessary improvements. Nonetheless, this legislation is an important step in the direction of making use of the public sector's huge purchasing power to press for green solutions across the board.

Bairbre de Brún, *on behalf of the GUE/NGL Group*. – (GA) Mr President, I welcome the recommendations in the conciliation measure agreed by representatives of Parliament, the Council and the Commission on clean road transport vehicles.

Local authorities and other public bodies must be urged to invest in sustainable clean transport.

When green, efficient transport choices are made, especially in our cities, this benefits citizens' health and the environment. This will help us to comply with our climate commitments and, more importantly, this can be a market catalyst for clean transport choices. Those involved in public procurement ought to consider the long-term benefits.

All costs relating to the measures chosen should be taken into account in the calculations.

The transport sector is where Europe is experiencing the most difficulties.

I hope that this directive shall be adopted – as soon as possible – so that it can be implemented by 2010 as a support for local authorities and for public bodies who value the environment.

Johannes Blokland, *on behalf of the IND/DEM Group*. – (NL) Mr President, the importance of a sustainable society is always underlined in the climate and energy debate that is currently being held in this House, and a sustainable transport sector forms part of this. In the past few months, we have tried to impose stricter standards on freight transport (Euro 6) and cars. In this, we have addressed the problem at source. We could make transport more sustainable at subsequent stages too, by issuing green invitations to tender, as is being suggested in the proposal we are discussing at the moment.

I wholeheartedly support the principle of including energy and environmental impacts in tenders for vehicles. It makes for sustainable vehicle development, because demand for sustainable vehicles is promoted, which spurs manufacturers on to innovate. Important aspects that should be taken into consideration are fuel consumption and the related CO₂ emissions, but also the emission of toxic and otherwise harmful particles and substances, such as carbon dioxide and fine particulate matter.

For effective policy, it is important to guarantee a valuable exchange of knowledge and information between the Member States. In that way, best practices can be exchanged, as a result of which the green procurement procedure can be optimised.

I should like to thank the rapporteur, Mr Jørgensen, for the compromise he has struck with the Council on this topic. In a previous phase, this issue was difficult to discuss, but at second reading, to my mind at least a reasonable agreement was thrashed out, which I have been able to put my name to.

Luís Queiró (PPE-DE). – (PT) Mr President, Commissioner, just this morning President Sarkozy spoke in this House about the difference between protectionism and intelligent market intervention. If we add to that the countless instances in which European industry is overburdened with rules and restrictions which, while necessary, make it less competitive, we can easily understand the reason for praising and voting in favour of the proposal currently under discussion.

It is well-known that the European Union has various instruments with which to achieve the proposed 'three times twenty' targets: one of the most common approaches is to require European industries to comply with environmental and emission control criteria; an alternative, which is what we are discussing today, is to

suggest that public authorities should act as market catalysts. This makes total sense. Encouraging major public buyers to drive the markets and create a demand for clean and energy-efficient vehicles, the production of which may be more costly but is certainly environmentally positive, is a way of intervening in the market which is legitimate, appropriate and defensible.

Clearly this intervention cannot occur in a manner contrary to the interests of taxpayers. However, these interests must be measured in terms of both the immediate costs and the potential environmental benefits brought to citizens' daily lives. Under the commitment being debated today, public authorities shall, when purchasing their road transport fleets, be required to calculate not only the purchase price but also the vehicles' lifetime costs in terms of fuel, CO₂ emissions and air pollution. Ultimately, these costs must be used as a procurement criterion.

Public authorities shall therefore have the opportunity in the future to set an example and act as a catalyst for the automobile sector so that the latter develops and invests in the production of environmental vehicles with ever-decreasing CO₂ and pollutant emissions. Finally, I congratulate Mr Jørgensen and the draftsmen, whose work has enabled this document to be debated today, in the expectation that it will actually help to change habits with positive consequences for the sustainable future of our societies.

Holger Krahmer (ALDE). – (DE) Mr President, even though we have now arrived at compromises, or perhaps precisely because we have now arrived at compromises, which – as Mr Schwab has just said – have removed the teeth from this legislative text, the question arises as to what is the point of this directive.

In view of the very small market share of publicly purchased vehicles – we are talking about 1% of private cars and 6% of lorries – there can be no question of a significant contribution to climate protection being made. It is no more than a drop in the ocean. The expenditure it involves us in is not justified in terms of value.

Above all, I find the use of procurement law as an instrument to be questionable. As an instrument of economic purchase by public authorities, procurement law is clearly designed to be related to the product, its suitability and its performance. Additional environmental criteria are simply not included.

I should also like to point out that we shall debate product standards in Brussels. We are to debate emissions standards for lorries and private cars and are then also to debate CO₂ thresholds for private cars and lorries. We do not need additional European regulations governing product acquisition. We are in this case once again creating additional and useless bureaucracy and we are once again infringing the principle of subsidiarity.

Pierre Pribetich (PSE). – (FR) Mr President, at a time when our debates revolve inexorably, like whirling dervishes, around the crisis, I cannot resist the temptation of describing the approach of my colleague, Dan Jørgensen, as a circle, but this time a virtuous circle; one, what is more, that is virtuous in its transparency.

With public procurement, to encourage the replacement of old vehicle fleets with new vehicles, is to put the economy at the service of the environment; to reduce CO₂ emissions in order to create demand is to put the environment at the service of the economy. This is a perfect equilibrium constructing this virtuous circle on the budgetary level, on the ecological level and on the level of transparency. It is at this price that it will represent a real step forward.

In order to do this, we must be guided by two principles: a true assessment of the cost of a vehicle over its entire lifespan and transparent local decision making so that a socially responsible audit of the consequences for the benefit to the environment can take place. Without transparency, we shall have a circle, but far from a virtuous one. I should like to pay tribute to the work carried out by our fellow Member to reinforce this transparency. By making use eventually of all the facts relating to his or her purchases and of a record of achievements emphasising the real goodwill of local authorities in acquiring clean vehicles, every citizen will make the same assessment, will publicly and actually evaluate the reality of these commitments, beyond the rhetoric.

In this vein, we can do no better than promote the creation of an ecological label, a visible, legible and understandable label of this ecological quality. In this time of crisis, the European car industry will find that this new demand for clean, ecologically labelled vehicles, far from acting as a brake, will act as a stimulus for development, a challenge to respond to. The economic crisis must in no way serve as a pretext for going back on improving our practice aimed at reducing the harmful effects on the environment.

On the contrary, we have an opportunity here. Let us know how to grasp it and create new virtuous circles by thinking of our planet, here and now, but above all of future generations.

Avril Doyle (PPE-DE). - Mr President, thank you for your forbearance. After much debate over its first report, the Commission submitted a revised proposal last January, the aim of which is to contribute to making the EU a highly energy-efficient and low-greenhouse-gas-emitting economy through the promotion of clean and energy-efficient vehicles. This policy is in line with several other proposals, including those under the climate and energy package. In my view, the directive would accelerate the take-up of cleaner and more efficient vehicles, while creating a market dynamic in favour of such vehicles.

The Council has amended the draft proposal and redefined the scope to ensure coherence with the public procurement directives. It has, furthermore, introduced more flexibility as regards options. The draft directive now applies to the purchase of vehicles by contracting authorities and various parties and operators, for the purposes of the Public Procurement Directives, and by operators of public passenger transport services under the Public Service Obligation (PSO) Regulation. It requires the authorities concerned either to include requirements relating to energy consumption, CO₂ emissions and emissions of other pollutants in the tender specification, or include such impact in the criteria for award of the contract.

I support the general approach, which gives a choice of options for taking into account lifetime costs and also allows flexibility as to the weighting given to the lifetime costs in award criteria. Furthermore, the directive will sit well with the sustainability agenda, which would demand that the cleanest of vehicles possible always be required. Might I suggest that this directive might be an important addition to the non-trading agenda of Member States to reduce CO₂ emissions in our general thrust in the climate and energy package?

The directive will apply to all vehicles purchased by government departments, local authorities and state bodies, with of course the exception of emergency vehicles, rescue and military vehicles. I have been assured that many of these bodies already factor lifecycle costs – including fuel costs – into the criteria for procurement. It is estimated that the effective cost, including emissions, would be small in overall cost terms. I am not a fan of red tape, and this proposal has no new administrative hurdles, to quote Commissioner Tajani himself. But action is needed at every level if we are to transform our economies into the low-carbon economies we so desperately need. For these reasons, I support the proposal.

Paweł Bartłomiej Piskorski (ALDE). - (PL) Mr President, the issue we are discussing today, as you can see, unites rather than divides us in the European Parliament. We are discussing the issue of how to do our citizens a favour, and make the vehicles we use as environmentally friendly as possible.

The document we are debating is by no means perfect. It is full of compromises, which are probably a necessity at this stage of the debate. But it is undoubtedly a step in the right direction. It encourages in particular public vehicle users – local and central government authorities – to purchase environmentally-friendly vehicles. This is the great value of this directive, but more likely than not, as in many matters we have discussed in this House on road and transport safety, it is just the beginning, and not the end of the debate.

Horst Schnellhardt (PPE-DE). - (DE) Mr President, Commissioner, ladies and gentlemen, this proposal for a directive on the promotion of clean road transport vehicles in public institutions is highly bureaucratic and impractical. It really cannot be assumed that it will have any detectable effect on the environment. There is certainly nothing wrong with the objective; moreover, we support it. We also want, however, to try everything we can to bring about a proper climate in Europe.

I cannot, however, go along with this bureaucratic approach, which actually creates more problems than it solves and does not constitute an improvement. If, as has been pointed out today on several occasions, the percentages of private cars and lorries involved are, respectively, just 1% and 6%, it can hardly be assumed that any effects are going to be felt. If the local authorities constantly have to calculate what is going to be produced by a vehicle in the course of its life and what costs it is going to give rise to and then have to make their purchasing decision in the light of these factors – and in view, too, of the objection that the directive will entail still more bureaucracy – then we are engaging in a wholesale repudiation of procurement law. What we are saying quite simply is that, now, something else is being decided. It is a fact that local authorities have to decide on the basis of price.

Because what we have here is duplicate legislation, we are creating legal uncertainty. That is a very reprehensible state of affairs, which I cannot endorse. Even the compromise designed to tone things down

does not bring about any improvement. We cannot anticipate any improvement in the climate. Nor can we anticipate any reduction of bureaucracy in the near future.

Moreover, all this is happening just six months before the European elections. It is not you who needs to conduct this discussion, Commissioner. Rather, we must conduct it in the election campaign.

If I am still here in two years' time when the Commission presents its report, I can just foresee its saying: the measure has been unsuccessful; we need to tighten up the provisions. It will not see that it has made a mistake – just as it did not foresee the rejection two years ago – but will just go on to say that, as has emerged from the consideration given to the matter, passenger transport by private individuals needs now to be included. That is the objective, and I simply cannot go along with it. Our debate needs to be at grass-roots level, so the Commission also needs to be aware that, in this case, it needs to listen more to Parliament and the MEPs.

Gábor Harangozó (PSE). - (HU) Thank you very much, Mr President. Commissioner, ladies and gentlemen, in the debate this morning we already agreed on one thing: the world is heading for an environmental disaster. We can still change course and Europe does want to make changes. Neither the financial crisis nor any other consideration can force us to give up our leading role in bringing about a more sustainable development. If we take this seriously, radical changes are needed in order to create a more environmentally aware automotive industry.

It is difficult to persuade consumers to choose more environmentally aware, but currently more expensive vehicles. However, with good regulations we can do much to help create a cleaner vehicle fleet. On the one hand, in the case of publicly funded vehicle purchases we can pay more attention to environmental considerations, setting a good example from the public sphere; on the other hand we can increase demand on such a scale that it will make the development of cleaner technologies more economical. Since this regulation is important not only for environmental protection but also as a key opportunity to maintain a strong European automotive industry, we must introduce it as soon as possible, on the widest possible scale. Thank you very much.

Fiona Hall (ALDE). - Mr President, this directive is very welcome because it puts legal flesh on previous proposals in the 2006 Directive and in the Commission's Action Plan on Energy Efficiency.

Public procurement has a vital role to play, not only through leading by example, but also because big contracts stimulate mass production and therefore bring down the cost of energy-efficient vehicles. Technically, too, the time is ripe for this directive. The range and speed of electric vehicles has been transformed by innovation in battery technology. Many vehicles procured by contracting authorities are fleet vehicles – which return at night to a base where they can easily be plugged in and recharged – so they are not dependent on the prior development of recharging facilities at service stations.

To conclude, I hope that this directive will serve as a stepping stone towards a comprehensive proposal on limiting CO₂ emissions from commercial vehicles.

Eija-Riitta Korhola (PPE-DE). - (FI) Mr President, the facts speak for themselves: 26% of all energy consumption and 24% of CO₂ emissions. Energy consumption and emissions are increasing by around 2% a year.

Emissions are making the quality of the air worse in many European cities and many areas will have problems achieving the Community's air quality targets. The high costs of development have slowed down the growth in demand for low-emission vehicles, which in turn is slowing down the fall in acquisition costs, even though the assessment of the impact would suggest that the rules on reduced fuel costs would compensate for any higher acquisition costs for low-emission vehicles.

These facts regarding road transport are known to all and it is at long last time to act. The savings in costs in this proposal for a directive we are now considering is estimated to be around EUR 21.5 billion, not to speak of the benefits to the environment. Nevertheless, it is no insignificant matter how the targets set are to be achieved.

We can all recall many examples of being hit twice as the result of overlapping legislation, where ideological ambition has in the end created a bureaucratic treadmill. The rapporteur's proposals, for example, for environmentally friendly procurement labels or making improvements to existing vehicles using the criteria intended for new ones would, if they came into effect, eat into any cost benefit achieved through legislation

because of the additional costs involved. This is precisely why we should not be in such a hurry in our quest to solve environmental problems.

Mr Jørgensen, however, has had good intentions and he has succeeded in many areas. Greater transparency regarding public procurement is something worth our support, as long as we ensure that information is not misused for populist intentions. Similarly, the role of public procurement as a catalyst for the environmentally friendly vehicle market is probably an inevitable one.

I nevertheless understand those here who intend to vote against this legislative proposal tomorrow. A compromise at first reading rarely meets the criteria for democracy: that is something that was made clear to us when we debated Parliament's climate and energy package, if not before.

Thomas Ulmer (PPE-DE). – (DE) Mr President, Commissioner, ladies and gentlemen, climate protection is the aim of us all. There are different methods, however, and they are not always recognisable at first glance. I have no objections to green procurement in cases where it makes sense. I reject this directive, anyway, aware though I am that my doing so will change little in terms of the overall outcome in Parliament. Nonetheless, I shall explain the reasons for my decision.

A first reading agreement on an important co-decision issue such as this, where more than a technical adjustment is at stake, undermines democracy. The fact is that the rapporteur, whose work I very much value, does not represent Parliament's vote but only that of a committee and it is on this basis that he deals with the Council and the Commission. Parliament is ultimately excluded.

Secondly, the directive has been amended by the compromises to such an extent that it is more or less without content, yet entails considerable bureaucratic expenditure for local authorities. Bureaucracy is not free of charge, but it is often pointless. We are in this case contributing needlessly to further dissatisfaction with Europe on the part of Europeans and our local authorities.

Since many substantial parts of the directive have been toned down, I would have wanted the Council and the Commission to withdraw the whole thing. All the issues that are still relevant have already been regulated in the European context, or else no regulation is necessary or the issue concerned would have been better resolved on the basis of subsidiarity. Withdrawal would have sent out a signal that together we are taking the removal of bureaucracy seriously.

In my area there are, for example, very many local authorities that already make the relevant decisions via the EMAS system. The money expended in this way would have done a hundred times more for climate protection if it had been spent on methods for insulating public buildings.

For me, the question arises as to whether the directive is being pursued for its own sake or in order to bring about action. Most Europeans will not understand either approach.

Miroslav Mikolášik (PPE-DE). – (SK) I welcome the report by Mr Jørgensen, which adopts the aim of promoting clean, cheap and energy-efficient vehicles on European roads. I firmly believe that through the introduction of common rules at European level we will achieve a more positive impact on the environment. Local authorities play a key role in determining the criteria for public procurement in the area of road transport. I therefore support the proposal, under which public procurement must take account not only of procurement costs but also of consumption costs, CO₂ emissions and information on atmospheric pollution over the whole life of a vehicle. I firmly believe that a clear set of environmental criteria can play a significant role in supporting the market for clean vehicles.

I also agree with the view that information on the procurement of vehicles for urban mass transport must be transparent and publicly accessible. Intensive and open dialogue between local authorities, environmental protection groups and citizens will surely contribute towards reinforcing the importance of environmental factors in the purchase of new vehicles.

Zuzana Roithová (PPE-DE). – (CS) It is an important and perfectly legitimate aim to have clean vehicles, but today local authorities already have the option to include environmental considerations in contracts for public transport services. And they are doing so. The directive does not provide any new added value for the environment and it is an unnecessary administrative burden for local and regional authorities. Member States have undertaken to reduce emissions by 20 % and it would probably be better to leave it to them to decide whether to invest in home heating or other things. Just leave it to the regions. Nobody has spoken the truth here. It is really a matter of how to secure an outlet for the European car industry, which we have weighed down with demands for emission reductions. This means that it is a matter of who is going to buy expensive

vehicles in a situation where consumption is falling and we are heading into recession. And yet here we are imposing another burden through this directive on local and regional authorities. I simply cannot agree to this. I therefore ask you, ladies and gentlemen, to lend your support to those of us who believe that this proposal must simply and clearly be rejected.

Oldřich Vlasák (PPE-DE). – (CS) Mr President, allow me, as a former local councillor to voice my rejection of the proposal under discussion. The directive is unnecessary and we do not need it, and there are several reasons for this: first it goes against the rules of the free market, secondly it interferes in the subsidiarity of local authorities who ought to be defining their own priorities, thirdly the conditions applying to public tenders already include environmental requirements and monitor vehicle emissions closely, fourthly we will achieve a minimal effect at a very high price and we will increase the administrative burden on local authorities and cause a growth in bureaucracy. It would be better to use the already stretched financial resources of local authorities on heating buildings, improving window insulation and exchanging old-style light bulbs for modern ones. That way we will achieve a far greater effect and greater savings while also protecting the environment and the climate.

Silvia-Adriana Țicău (PSE). - (RO) This directive helps to raise the awareness of local authorities with regard to the impact which urban transport has on the environment. Member States may apply more stringent award criteria to the procurement of clean and energy-efficient vehicles than those proposed in the directive. They may also elect to purchase reconditioned vehicles or have existing vehicles modernised by fitting them with particulate traps or adapting engines to run on cleaner fuels.

I personally believe that it should be possible to purchase clean and energy-efficient road transport vehicles and to retrofit these vehicles with engines and spare parts when they have not exceeded 75% of their total lifetime mileage. The present directive does not apply to retrofitting road transport vehicles with engines and spare parts when they have exceeded 75% of their total lifetime mileage. I believe that these aspects are necessary if we are talking about an investment which should be sustainable.

Paul Rübzig (PPE-DE). – (DE) Mr President, Commissioner, what is missing is quite simply a system of incentives, and Commissioner Kovács really ought to be asked about this. Would it not make sense in this area too to consider reducing amortisation periods or providing allowances or paying bonuses?

From the European Union's point of view, I could see us also supporting assistance in this area, for example within the framework of the Competition and Innovation Programme. We have the Intelligent Energy Programme and we also have the Seventh Framework Programme for Research.

What I would propose would be to be active in this area, on the one hand in the area of tax relief and, on the other, in the area of assistance. A huge amount could be achieved in this area, and I would propose that we embark on a new initiative in this connection.

Antonio Tajani, Vice-President of the Commission. – (IT) Mr President, first of all, I would like to say to Mr Rübzig and Mrs Ayala Sender that I will speak with the relevant Commissioners and ask them to reply to the issues that they have raised. I would like to thank all the other Members who participated in the debate, which was by no means dull, but a lively one, with sound observations, as well as some controversy, which is always good to hear.

Mr President, there are just three things that I wanted to stress in reply. The first point is that a cost/benefit analysis carried out within the context of assessing the proposal's impact indicates that the potential gains are significant, because the initial investment costs for the vehicles, which are likely to be higher, will be offset by savings made as a result of lower energy consumption and lower emissions of CO₂ and other pollutants.

Secondly, including the vehicles' lifetime impact among the assessment criteria will not only not result in greater costs but might instead lead to considerable savings, both for operators and for the public.

Thirdly, the saving on fuel costs, which directly benefits the operators, by itself largely offsets any higher costs incurred at the time of purchase.

Dan Jørgensen, rapporteur. – (DA) Mr President, I believe that, in ten to twenty years' time, Europeans will be environmentally aware in a quite different way than at present. I absolutely believe that, by then, the idea of using taxpayers' money, that is to say the pound in people's pockets, to buy anything that is less than environmentally friendly will be unimaginable. By then, those of us who support the compromise that will

be voted through tomorrow will perhaps be able to look back with pride at the time when we were involved in taking some of the first steps in the right direction. I would therefore like to say thank you again to the shadow rapporteurs who were involved in putting together the compromise. I should also like to say thank you for all the many positive comments that have been made in this House today about the negotiations that have been carried out.

I must also just comment, however, on the critical voices – and there have been some of these – that have made themselves heard. I believe it was Mr Ulmer who spoke most stridently. He said, for example, that the whole thing is too bureaucratic. Well no, it is not especially bureaucratic. It has in actual fact been done in a very easy and very flexible way. It has in actual fact been put together in such a way that the tiniest local authority or even the smallest town or region will be able to deal with these matters quite easily. There are also exemptions in areas where these are justified. He said something else too, namely that what is being done will have no influence. Ladies and gentlemen, a hundred thousand passenger cars are bought each year by public authorities in Europe. A hundred thousand – that comes to a million over ten years. You cannot say that it will have no impact if we help make purchasing greener. Of course it will have some influence. The figure for lorries is 35 000 per year and that for buses 17 000 per year. Seventeen thousand is, in actual fact, a third of all the buses purchased in any one year in Europe. Obviously, what we are doing will have a big impact. There was one thing in Mr Ulmer's speech to which I was more sympathetic, however. It was when he stated that his attitude would scarcely have any influence on the outcome of tomorrow's vote. I think that – fortunately – he is quite right about that.

President – The debate is closed.

The vote will take place on Wednesday, 22 October.

Written statements (Rule 142)

Ivo Belet (PPE-DE), in writing. – (NL) Mr President, Commissioner, if we want to adopt credible climate policy – and we are, in this respect, facing crucial weeks – then the government should in the first place set a good example.

That is why this is a fine directive and we would do well to introduce it as quickly as possible. Nobody is stopping the national governments from implementing it in a year's time. This is perfectly possible.

Whilst a label at European level is not on the cards for the time being, there is nothing stopping us from coming up with initiatives at national level that raise awareness and have a canvassing effect on public opinion.

This is, after all, the whole point, namely to convince the consumer, us all, that environmentally-friendly cars are available and need not cost more than their polluting counterparts.

This is why it is important for there to be maximum openness about the purchase of these new vehicles, so that everyone, particularly at local level, can check things for themselves and make comparisons.

We too can set the right example, by for example deciding against travelling to Strasbourg or Brussels in our 4x4s, but by using an environmentally-friendly version instead, one that emits less dust and soot and less CO₂, without taking anything away from your driving comfort.

Krzysztof Hołowczyc (PPE-DE), in writing. – (PL) Mr President, all the initiatives taken to meet the climate change criteria outlined by the Council of Europe in March 2007, and which have been repeated in the conclusions of the current Presidency, will clearly strengthen the EU's position as the world leader in the fight against climate change.

In keeping with this, the present report has also become part of the direction of our ongoing debate, by attempting to find effective means of reducing harmful CO₂ emissions.

It appears that the new impulse that will be sent by public bodies to car manufacturers is a step in the right direction. However, we must remember to strike a balance between encouraging innovation in the EU economy, and maintaining open competition among Europe's businesses. Let us hope that the motor industry will take this as a stimulus to intensify research which will lead to the faster introduction of new, environmentally friendly and energy-saving technologies.

Anneli Jäätteenmäki (ALDE), in writing. – Climate change and depleting natural resources are important issues in our world today. This initiative is a great start to helping clean our environment and helping make Europe more sustainable in the future. This legislation is key if the EU is going to reach its goals of reducing 20% of greenhouse emissions by 2020, increasing energy efficiency by 20%, and using renewable energies for at least 20% of overall consumption.

Additionally, clean and energy-efficient cars tend to cost more. If the demand for green vehicles increases, this could cause prices to drop so that green cars would be competitive and more affordable to the consumer. It is important that we encourage all Europeans to play their part in protecting the environment.

Mary Lou McDonald (GUE/NGL), in writing. – I welcome the recommendations in the compromise package.

It is right to challenge local authorities and public bodies to lead in sustainable, clean transport. Public procurement should be based on sustainability.

In our cities in particular, choosing efficient, green transport options will benefit citizens' health, our environment and our climate commitments and can act as a market catalyst for clean transport options. These long-term benefits should be considered by those in charge of public procurement.

We know transport is one of the areas where CO₂ emissions must be reduced, and it is my hope that the revision of this directive can be signed off as soon as possible so that it can be implemented by 2010 as a support for environmentally conscious local authorities and public bodies.

(GA) I think the committee is right to challenge local authorities. We all know that transport is one area where CO₂ emissions need to be reduced. This Directive would support local authorities and public bodies who value the environment. Public procurement should be based on sustainability and not only should the price be considered but all other costs such as health, environment and carbon emissions should also be taken into account.

Daciana Octavia Sârbu (PSE), in writing. – (RO) Launching clean and energy-efficient vehicles on the market will make a significant contribution to protecting the environment, improving air quality and making modes of transport more energy efficient by reducing pollutant emissions. The objectives of the Air Quality Directive and those suggested in the Green Paper on urban mobility will be implemented more effectively by promoting environmentally friendly public transport. At the same time, the motor vehicle industry in Japan, which is focusing its efforts greatly on manufacturing clean cars, poses a threat to the European Union market, which needs to invest more in the technological development of vehicles which emit less carbon dioxide and in promoting alternative fuels.

In order to encourage car manufacturers to continually increase the number of environmentally friendly cars they produce, consideration needs to be given, in the case of public procurement, to the costs incurred throughout the entire lifetime of the respective vehicles and their impact on the environment and public health. However, these demands will not distort competition between the public and private sectors as this will ultimately be subject to the same environmental regulations and criteria when providing public transport services.

Richard Seeber (PPE-DE), in writing. – (DE) The proposal by the Committee on the Environment, Public Health and Food Safety for the compulsory setting of energy efficiency and emissions standards as criteria for the procurement of road vehicles by local and regional authorities disregards the principle of subsidiarity in some respects and entails, above all, unsustainable additional bureaucratic expenditure. The guarantee of 'clean and energy-efficient road vehicles' is, for example, too complex a matter to set up and implement to be of any great use. The compromise submitted does, however, somewhat simplify this bureaucratically overloaded system.

What is to be particularly welcomed in this connection is the fact that the Member States are to be given more flexibility in transposing the proposal. The *de minimis* principle, according to which, beneath a certain threshold, vehicles do not come within this procurement process, will do a huge amount to reduce the burden on small local authorities. The question remains, however, as to whether the hoped-for impact of this model on the private car market is in actual fact to be as great as expected, bearing in mind that the relevant market share in terms of the public procurement of commercial vehicles is a mere 6%.

18. Impact of aviation security measures and body scanners on human rights, privacy, personal dignity and data protection (debate)

President. – The next item is the debate on the oral question to the Commission on the impact of aviation security measures and body scanners on human rights, privacy, personal dignity and data protection, by Philip Bradbourn and Marco Cappato, on behalf of the Committee on Civil Liberties, Justice and Home Affairs (O-0107/2008 – B6-0478/2008).

Philip Bradbourn, author. – Mr President, I would like to focus the House's attention on the recent announcement by the Commission to apply whole-body imaging technology to Europe's airports by 2010.

Here I would like the Commission to clarify and justify many points which have been raised in the Committee on Civil Liberties, Justice and Home Affairs. The most important is why this step is seen merely as a technical change to the existing aviation security regulation and, thus, why parliamentary scrutiny of fundamental issues of personal privacy and dignity are being bypassed.

This technology has the potential – and, I stress, the potential – to force air passengers to undergo what could be seen as undignifying treatment, and this is certainly not a small technical step.

If we are to justify this to our citizens, we first need to know why it is needed at all. Are we heading down the route of using more technology just for the sake that that technology is available, and also, what extent will the technology be used for? I can understand that, in some cases, this should be a secondary measure, where an individual chooses not to be, as we say, frisked by a security official. But as a primary screening measure it is a very serious breach of our basic rights to privacy and is intrusive.

We have already seen, with the liquids rules, that the precedent is being set for extra security measures to become the norm in airports. However inconvenient these liquids rules are to passengers, it is certainly not an invasion of privacy.

Other major concerns I have are with the storage of data. As I understand, storing of images is not the initial intention, but this is not to say that it is not possible to do so. Therefore, could the Commission outline what events could lead to the storing of this data, how it would be protected, and whether (and how) it could be ruled today that this possibility would not be used, so that it could be ruled out completely, thereby greatly alleviating many of the concerns of law-abiding passengers?

I would also like to see that proper consultation is carried out with user groups. Tests have, indeed, been carried out on these machines at some airports – including in my own country at London Heathrow – but as yet, I understand, the results of this process have not been scrutinised by experts or the relevant parliamentary committees.

Finally, I would urge the Commission not to head down the route of forcing individuals to submit to a potentially degrading process without first understanding the rightful concerns of innocent travellers.

Of course we should be serious about security, but this form of blanket approach to technology has the potential to turn a legitimate security concern into an unacceptable peepshow for security industries.

Antonio Tajani, Vice-President of the Commission. – (IT) Mr President, I would like to thank Parliament for having tabled this oral question, because it allows me to clarify an event and an issue which I consider to be important. With regard to passengers' rights – their right to safety and security and also their right not to have to put up with sometimes very long queues – as well as a control system that seemed to be obsolete and not always very effective, we have criticised all of this, and when I was an MEP I did so too. Instead, we must aim at having a control system that allows citizens to travel in as easy and pleasant a manner as possible. Thus, a few weeks ago we also announced which objects can be carried as hand baggage and which objects cannot.

The objective of the action being taken by the Commission and the Transport and Energy Directorate-General is to move in a direction that is helpful to citizens: always to protect citizens' rights under all circumstances is a commitment that I have made before this very Parliament, and which I intend to continue to honour.

The aim of the proposal – I want to state it very clearly, and therefore I am happy that we can discuss this matter today – is not the decision by the Commission to add body scanners as from 2010. There has obviously been a misunderstanding. The Commission has put a question to Parliament: does it consider that it would be useful to discuss the application and use of body scanners in airports as a non-mandatory checking system?

That is the aim of the proposal, and that is what is stated in Article 4(2) of the regulation of the European Parliament and of the Council on common rules in the field of civil aviation security. The measure currently being considered by the European Parliament, under the comitology procedure with scrutiny, is restricted to making provision for the possibility of using body scanners as a means for ensuring aviation security.

With regard to the timetable, only if Parliament declares itself in favour, and only if we have verified that these instruments are useful and not damaging, particularly in terms of citizens' health, will we be able to assess whether to then start to make a decision establishing under what conditions these technologies can be used.

With regard to the procedure, in line with the comitology procedure with scrutiny, on 4 September I informed the chairman of the relevant parliamentary committee, which is the Committee on Transport and Tourism. Mr Costa replied to me on 26 September by letter, requesting further information, particularly with regard to the use of body scanners, namely, as to how the Commission intended to use the body scanners should a positive opinion be given.

In my letter replying to Mr Costa, sent on 7 October, I stressed several points. The first was that the measure under consideration was perhaps to look at the possibility of using body scanners as a supplementary option for checking passengers and not as a mandatory requirement. In short, passengers would be able to choose whether to go through a body scanner, should body scanners be deemed to be suitable, or to submit to a manual check as is currently the case.

I stated that some aspects, especially the impact on passengers' health and particularly their privacy, will have to be analysed in more depth before any regulation is adopted regarding body scanners. In addition, the European Data Protection Supervisor's office would be involved – this is still what I put in the letter sent on 7 October to Mr Costa. Amongst other things, the Supervisor has already been invited, together with national experts, experts in the sector, and the MEPs on the Committee on Civil Liberties, Justice and Home Affairs and the Committee on Transport and Tourism, to take part in the workshop that is to be held on 6 November, with the aim of guaranteeing transparency, and of course prior to any decision being made. This meeting, which may also be repeated, is to establish whether there are any health risks, which is the issue that most concerns me. We need to know if these body scanners are damaging to the health of those who freely choose to go through them. We will then seriously evaluate their effectiveness, and this means, of course, listening to everything relating to citizens' rights to privacy. On this point, I repeat, the European Data Protection Supervisor will be heard, and I also intend to hear the view of the European Union Agency for Fundamental Rights.

How might they be used, if Parliament were to decide to give the green light to an examination of the idea of body scanners? In my view, they would be used only as a non-mandatory tool and, of course, an alternative would always have to be provided under all circumstances, and there would therefore have to be such an alternative in airports. Thus, it would not be the only option, but one of the possibilities.

The second point is that the images would not be kept but would be immediately deleted; that is, there ought to be a technical mechanism to prevent the image of a person who decides to pass through a body scanner from being recorded. Thus it would be immediately deleted and absolutely not recorded – recording would be made impossible.

The other issue is with regard to health, which I consider to be a priority: at the workshop to be held on 6 November, we will ask all those responsible for air safety to give us news from the various countries of the EU on any reports of damage that might be caused by body scanners to human health: this means studies by universities, investigations by the various ministries of health or similar bodies, or statistics from countries that already use body scanners, starting with the United Kingdom, to find out if such risks exist.

Having said that, I have not taken any decision, nor do I intend to force the issue on this point. I am merely putting forward a problem to Parliament for consideration. Do we wish to examine this alternative, non-mandatory form of carrying out checks in airports, or not? That is the question. If we wish to examine this proposal, then we must verify whether it is feasible, or in other words whether it is possible, first and foremost with regard to health, and then we will have to look at other criteria, starting with respect for individual rights.

Additionally, it will be vital for the regulatory provision that may result from this to establish that operators will have to be far away and unable to see directly, but will have to be in a special, closed location. In other words, every guarantee must be given to ensure that this does not become an invasive tool, since it ought to

be merely a tool intended to make things easier for citizens and to provide them with greater assurances. It is also true that, from the data at our disposal, in airports where the body scanner system exists, the majority of people choose to go through the body scanner rather than undergo an alternative form of check.

These are some of the matters that need to be considered. Of course, we have an option to regulate, if Parliament decides to agree to an examination of the idea of the body scanners. Then, there is also the possibility of further scrutiny by Parliament. It is my intention, as I have always said, partly because of my lengthy experience in this Chamber, to involve Parliament. That is why I was very willing and very happy to come to this Chamber today to debate the issue of body scanners. My aim is to involve Parliament and to come to a decision together.

Do we want there to be Community regulation, if all the stages in examining body scanners are passed, or do we want to leave using this tool up to individual Member States? I believe that, if a decision is taken to look into the possibility of body scanners and if this possibility were found to be viable, it would be fairer and better for European citizens to have Community legislation. I believe that this would provide a better guarantee to all citizens who freely chose to go through the security checks using the body scanner system, as an alternative to another system, which would remain available in all the other airports, namely a manual body search.

Of course, I realise that every kind of check is personally invasive. For me personally, a manual search is perhaps more invasive than being checked in a body scanner. Everyone is free to make their own choice. We do not live in a perfect world. Unfortunately, we have to face many unpleasant situations; unfortunately, we have to tackle the terrorism problem, we have to tackle the crime problem, we have to tackle the drug trafficking problem, we have to tackle the Mafia and Camorra problem, all in the country that I know best, and so checks are unfortunately necessary. We do find some consequences of that, including for individuals, and we must ensure that the consequences for individuals are as slight as possible, by ensuring that there are no recordings, no notes and no infringements of privacy or fundamental human rights.

That is why I believe that it is right to debate this issue. Naturally, I defer to the wishes of Parliament, after having sought to explain the reasons why I have brought this possibility to the attention of Parliament. I hope that it can be dealt with and discussed purely with the interests of citizens in mind.

Luis de Grandes Pascual, *on behalf of the PPE-DE Group*. – (ES) Mr President, Mr Vice-President of the Commission and Transport Commissioner, we are well aware of your efforts to inform the Committee on Transport and Tourism through its chairman, Mr Costa, and of the contents of this exchange of letters. I must now warmly thank you for the information provided to the House as a whole.

However, I must criticise the fact that this resolution is being presented now when the deadline for this expires at 10 o'clock in the morning. This is not right. In other words, and in all sincerity, this is neither one thing nor the other. Likewise, I must say that, although there was consensus, the comitology procedure, even where subject to scrutiny, is totally inadequate for such a sensitive issue as that of body scanners.

In my opinion, we have to assess the impact on fundamental rights. We also have to assess, in advance, the impact on health. We must apply the principle of proportionality between what is proposed and the benefit that this will bring.

This House is frustrated about the issue of liquids, and this is being said by someone who advised the Spanish MEPs not to vote for the rejection, because making concessions, in the fight against terrorism, on the usefulness of a measure seemed to us to be taking things too far. It is true that we passed a vote of confidence and what you say in your letter is also true in that not even the new checks on liquids that are being trialled will be able to absolutely stop all possible explosive liquids.

However, the intention – albeit voluntary – with regard to the body scanner seems to me to be woefully inadequate.

It is true that this may be voluntary and that it may be used as an additional tool – as already happens – in suspected cases of drug trafficking, where something is hidden in the body, but not as a replacement for a totally reasonable check which can be very useful and is accepted by everyone.

In any event, Mr Vice-President, this must be submitted to Parliament and to the Committee on Civil Liberties, Justice and Home Affairs. Fundamental rights and personal dignity must be preserved. Any measures adopted in the fight against terrorism will have our support, but they cannot be presented in any old way. I feel that you should be very careful and tactful with how you make your announcements on this.

Claudio Fava, *on behalf of the PSE Group*. – (IT) Mr President, ladies and gentlemen, I would also like to thank the Vice-President, Mr Tajani, for some of the clarifications he has given, and I would like to respond immediately to his request. He is asking this Parliament if we want to examine this proposal together: the answer is yes. The oral question stems from this demand of ours. We would like to examine it while having at our disposal all the information needed in order to understand, as you rightly wonder, whether this tool is a necessity and above all whether it is safe and respects citizens' privacy, which is our priority.

We welcome the letter that you sent to Mr Deprez, chairman of the Committee on Civil Liberties, Justice and Home Affairs, in which you make a commitment that we would like to take as an official commitment. That is the commitment to consult the European Data Protection Supervisor. Our group does not yet have an official view regarding body scanners: we need more information and to examine the issue more thoroughly. Meanwhile, with regard to health, we would like to understand what actually constitutes an exposure overdose, particularly for frequent flyers, and on this point we need to be certain that the information is reliable, because for many years we have been forced to leave liquids behind, and now we discover that it was probably an excessive precaution and that the information and the assessments were probably unfounded. We need an assessment of the principle of proportionality and the full involvement of the European Parliament.

We do not believe that these measures can be seen merely as technical ones: they are measures that have a direct impact on human rights and on privacy. It is complicated to combine security, privacy and the protection of passenger health, but that is the responsibility that this Parliament endorses and which it entrusts to you. We hope that we can have this information and that you and the European Data Protection Supervisor will give it to us. We need some more data in order to be able to make a confident decision on how useful these body scanners are.

Marco Cappato, *on behalf of the ALDE Group*. – (IT) Mr President, Mr Tajani, ladies and gentlemen, it seems to me that this is first and foremost a procedural problem and not a problem on the substance of the issue, on which it is clearly not difficult to find agreement. In other words, it is clear, regarding the substance, that any security tool must be examined in terms of people's safety and privacy and the effectiveness of the measure itself, the cost-benefit ratio – how much these machines cost, because that too is a problem – and I believe that that will become the most sensitive aspect.

In fact, technologies like these are usually easy for well-organised terrorist groups to avoid, whereas they have an impact on citizens. This is true for fingerprints, it is true for the storing of telephone traffic and telephone tapping – well-organised groups are not afraid of these checks, but on the other hand they become mass checks on tens of millions of individuals. I therefore believe that we are in agreement that a tool of this kind can receive the green light from the European Union only after a rigorous analysis of all these aspects and only after such an analysis has resulted in a positive opinion on all these aspects.

With regard to the procedure, we have been given a document which, in part A of the annex to document 1258, has the title of 'screening allowed'; perhaps it is that title that has prompted us to sound the alarm, perhaps excessively, with regard to the procedure, because of the meaning of the word 'allowed'. What we are asking is that they should be allowed only after a technical assessment has been made and that therefore a totally political decision is taken. That is the message behind tomorrow's resolution.

At that point, it will be for you, following the political commitment that you have made, to find the technical path by which to achieve this objective, and in Parliament you will find a fair partner.

Eva Lichtenberger, *on behalf of the Verts/ALE Group*. – (DE) Mr President, Commissioner, ladies and gentlemen, in the Committee on Transport and Tourism we discussed the possibility of looking at these machines, following which, we received the first photographs that showed what the pictures were really like. It then became clear that the proposal should crumble on a technical argument. As I say, I do not want to go into more detail on this matter now, but there has not been, any impact assessment, as there was, for example, in the case of rear-view mirrors for lorries where almost every contractor in Europe was asked whether he agreed with there being a different type of rear-view mirror. On an issue such as this, which is so important, nothing was said. It was not thought to be necessary.

The images we have seen resemble slightly blurred black and white photographs of naked bodies. That is entirely obvious. It is certainly not prudery on my part, moreover, if I say to you today that I have reservations about this aspect, as an image of a naked body is a very private matter, and I want people to have the opportunity to decide whether or not people are to see them naked. We are told that everything is, of course, on a voluntary basis. Yes, this is not the first time we have been told such things. Anyone who refuses to fall

in with the system would be under suspicion from the outset. The next step will be its compulsory introduction. As for the next step after that, I dread to think what it might be.

I believe that this really is an approach that cannot be allowed to prevail as it stands. In a few years' time it will be compulsory, as security people have always come up with arguments in favour of arrangements such as this. Moreover, the next step after that is certain to be data retention, even if this is still at present rejected. We know, however, that whatever security people can do technically will in time be done.

Commissioner, the European Union is in this way succeeding only in making itself still more unpopular and in sliding still further down the popularity stakes. That is because the Member States will blame the EU and not take on the responsibility for introducing this system.

Giusto Catania, *on behalf of the GUE/NGL Group.* – (IT) Mr President, ladies and gentlemen, I too should like to thank Mr Tajani, and to make a few points. The first is that in recent years airports have become the places in which the 'security' obsession finds its prime application. There is a common thread running through this proposal and the PNR proposal, with the indiscriminate handling of air passenger data, and the regulation on liquids, which was put in place after an alleged attack two years ago, but it was then discovered, after the regulation had come into force, that all those who had been suspected of terrorism had been acquitted.

The body scanner is the last frontier in this modern torture, as Stefano Rodotà describes it. The mania for extracting ever more information that could be useful in the fight against terrorism is fostering an authoritarian interpretation of the rule of law. There is a clear violation of privacy, human rights and personal dignity. The new requirement for total surveillance is reproducing the apparatus of social control. The control mechanism of a 'mass-surveillance prison' is being developed within society, so that all citizens are gradually being transformed into suspects who need to be monitored.

The creation of these instruments is a confirmation of Foucault's theories, and the body scanner seems like a page taken out of the book *Discipline and Punish*. It is no accident that the main cradle of this strategy is the body: Foucault says that through the political technology of the body we can read the shared history of power relations. So, for these reasons and in this context the authoritarian character of the body scanner is apparent, and for these political and philosophical reasons it is not, in my view, acceptable to subject our bodies to this tool, which is yet another despotic display of technological power.

Saïd El Khadraoui (PSE). – (NL) Mr President, Commissioner, ladies and gentlemen, we are in favour of a European approach. Let there be no doubt about this. It should also be clear, though, that as the power of decision is being transferred from the Member States to Europe, the European Parliament should also have far more powers to take decisions and carry out inspections in the area in question. In fact, this is also what we agreed a few months ago when the regulation was amended.

Today, we have a first set of measures that we need to look into. There are two important aspects in this respect. Firstly, there is the abolition of the liquid ban by April 2010, which is very positive, although we would like to see this implemented even sooner.

The second is the inclusion on the list of possible screening methods of the notorious body scanner. In that respect, you mentioned that trial projects are already underway in a number of airports, including Heathrow and Schiphol, and that European agreements are necessary.

As I understand it, the Member States in question cannot carry on running their trial projects if we do not regulate the issue at European level. The reasoning is therefore turned on its head. I think that we as the European Parliament should get to the bottom of this and that, before we can give it the thumbs up, we need a detailed response to a number of questions that have been raised here and elsewhere.

You have already given an answer to some extent, which fills me with great delight, but I think we should be more systematic with regard to privacy, something to which reference has already been made, and also with regard to the impact. What are the benefits of the new system compared to existing screening methods? We expect an answer from you to this question, and other questions, in a structured manner, and if the answers are satisfactory, then we will be able to actually give it the green light at a later stage.

Ignasi Guardans Cambó (ALDE). – (ES) Mr President, Commissioner, we are not here tonight to talk about technical measures relating to transport nor about whether one machine is more efficient or cheaper than another in terms of security checks.

We have opened this debate because what we are talking about here is an issue of fundamental rights, the right to privacy and the possibility that the irresponsible, bureaucratic and uncontrolled installation of a machine may represent a serious attack on passengers' rights.

We therefore demand that no decision is taken on this matter without firstly examining its impact, without consulting the European Data Protection Supervisor, without establishing a legal framework laying down who is authorised to see us all naked and in what circumstances, and without confirming how it can actually be guaranteed in practice, at each airport, that its use will be free and voluntary and not imposed by the officers there at the time. Please tell us who will keep such private images of our bodies.

I myself participated in the work on the Spanish law on closed-circuit television cameras in public places. This was made law in the case of Spain. I defended the usefulness of the system, but subject to full guarantees. These guarantees have not been given in this case and, until they are, adopting this proposal through comitology, Commissioner, is simply an exercise in the abuse of power.

Willy Meyer Pleite (GUE/NGL). - (ES) Mr President, Commissioner, as we say in Spain, '*llueve sobre mojado*', which means 'it never rains but it pours'. Until very recently, part of the Security Regulation was secret. This secrecy, this lack of transparency, caused serious prejudice to our citizens who did not know what to expect. We are now turning the screw even further, through a totally inappropriate procedure because it does not take account of the views of this House. However, it is not just about including this House, in plenary, but also about opening a public debate with our citizens, once and for all, so that they can give their opinion. We have actually reached a line beyond which the right to privacy, data protection and personal dignity may be cast into doubt.

As a result, this Parliament demands that we take a leading role as representatives of our citizens and that we have this debate, once and for all, as all the issues surrounding this line that must not be crossed, in other words the right to privacy, data protection and personal dignity, must be resolved.

We question the effectiveness, necessity and proportionality of this measure. As a result, we believe that it must be formally debated by the plenary of this House – and not through the comitology procedure – and of course a public debate must be opened with the people of Europe, who are, after all, the ones who will suffer all the checks – as is already happening – at all the airports in the European Union.

Javier Moreno Sánchez (PSE). – (ES) Mr President, using body scanners at airports is a sensitive issue which directly affects the security and privacy of citizens.

Our citizens demand transparency on such a delicate issue as this and we, in turn, demand transparency from the Commission.

This is not simply a technical issue that can be resolved using the comitology procedure. If we take that approach, then legitimacy and democratic scrutiny will be missing. People must be fully informed of those measures which directly affect them. We cannot allow the lack of transparency that has dogged the most recent airport security measures to occur once again.

Obviously, in this House we are in favour of measures that guarantee greater security when travelling and that speed up checks at airports. However, above all we are in favour of ensuring that our health and privacy are protected.

We want a technology that respects health and privacy and that does not cause more problems than it is trying to prevent.

For this reason, as has been said, prior medical and scientific studies must be carried out on the direct consequences of millimetre waves on the health of passengers and, in particular, in the case of the most vulnerable, such as pregnant women, children, the sick, the elderly and people with disabilities.

In terms of obtaining and processing these images, what does the Commission propose to guarantee confidentiality and privacy? As you said, it is vital that these images are immediately deleted and that there is no possibility of their being printed, saved or transmitted.

Mr Tajani, will passengers be able to choose or will they have to refuse to go through the scanners? It is clearly not the same thing. Is specific training planned for the security staff who will be operating this new technology? Has the cost:benefit ratio and the proportionality of a technology that would be used as an option been assessed?

Commissioner, ladies and gentlemen, our objective is clear. We must ensure that information is provided to the people and that all aviation security measures respect fundamental rights and are applied equally at all airports.

The use of this new technology cannot represent another turn of the screw towards greater security – I am about to finish – to the detriment of fundamental rights. It is a question of balance.

Adina-Ioana Vălean (ALDE). – Mr President, let me put this straight. I am committed to fighting terrorism and to ensuring security for all citizens, but I am not going to explain to my constituents how 11 MEPs decided, in an obscure bureaucratic procedure, to allow body-scanning in European airports which would show them naked.

This whole comitology procedure is yet another example of how to push European citizens into Euro-scepticism. The Commission's argument – but also that of the developers of this technology – is that body scanners are intended as alternative to physical searches. But the moment we allow this technology, we will have no guarantee that it will not be used for primary screening. We all know from our experience in airports that some of them perform a mandatory physical search. Therefore the issue is whether we allow body scanners or not. Perhaps we should forbid them.

So I urge the Commission to suspend this procedure, which has put us in a messy situation. We need to have a large democratic debate in which Parliament and the EDPS have to be involved. This is invasive technology, and issues such as privacy, proportionality and efficiency must be carefully looked into.

Inés Ayala Sender (PSE). – (ES) Mr President, as evidenced on several occasions, the Committee on Transport and Tourism is in favour of maximum security with the least inconvenience to passengers and travellers. In principle, we therefore agree with reducing this inconvenience for passengers while, at the same time, maintaining a high level of checks and security.

In the case of liquids, Parliament has already suggested the alternative of scanners specifically to avoid all these difficulties. It is true that advances in technology should make this process easier.

In the current case of body scanners, you might think that there is a need for greater discretion in body searches and that a machine would perhaps make things easier and specifically avoid those exceptional situations in which a surface body search alone is not sufficient.

However, I absolutely agree, as suggested by the Committee on Transport, with the need for every type of precaution to be taken, for travellers and European citizens to be guaranteed total security in relation to the application of this technology, if it is applied, and for current studies and tests – which are merely studies and tests – to provide positive conclusions. These scans must not be harmful in any way to health, they must not infringe the privacy of the person, they must not humiliate people, and the data and images collected must be subject to data protection.

Colm Burke (PPE-DE). – Mr President, I shall be very brief. There are just two points I want to make. I do not think that we should close all the doors on this matter. For instance, in a trial run at London Heathrow Airport over a period of four years, 98% of passengers opted for a body scan instead of the normal physical search. Clearly this represents a vote of confidence in the technology. It also increases security. I know other people disagreed with this tonight, but it increases security as it can detect ceramic and plastic weaponry which are undetectable to standard metal detectors.

The second point I want to raise is in relation to people who have metal implants in their bodies as a result of injuries or disabilities. They suffer constant humiliation, always being singled out for additional searches at airports. I propose a system for endorsing users' passports so that they are not subject to this humiliation on a regular basis. I ask that the Commissions look at this problem, because it is a huge problem at the present time for people who have suffered a physical injury and have an implant. I ask that that be looked at.

Silvia-Adriana Țicău (PSE). – (RO) I am proceeding on the assumption that passenger security in the aviation industry is vitally important. However, body scanning suggests obtaining detailed images of a human body. These images are an invasion of a person's privacy. I would like to refer to the conditions in which these images are to be used.

Commissioner, we understand that the images will not be stored. However, are they to be used in accordance with all the conditions imposed by data protection legislation? What measures are you intending to take to ensure that staff using these scanners are familiar with, and abide by, the provisions of data protection

legislation? Commissioner, even in circumstances where passengers give their consent to using these scanners, I would like us to receive the guarantee that the images produced will be deleted. Unfortunately, it will only be a number of years down the line before we are able to learn about the effects on people's health of using these scanners.

Erik Meijer (GUE/NGL). - (NL) Mr President, a measure which may seem justifiable for reasons of transport safety and terrorism is, from other points of view, anything but obvious. Press reports about body scanners in the Dutch press have caused a torrent of indignation. If the body scanner is a sound instrument, then it is presented in the wrong manner. Certainly as long as the effects on health and privacy are unknown, we cannot use them. Precisely because people feel threatened by all kinds of other, new developments, there is every reason to exercise extreme caution here.

President. – Commissioner, pending the required clarifications and investigations, you now have the task of body-scanning this debate.

Antonio Tajani, Vice-President of the Commission. – (IT) Mr President, I believe that today an important goal has been achieved, and that is the goal of launching a debate on body scanners, in order to understand whether this is an issue that needs to be addressed or not. It seems to me that the debate has shown there is a clear will to discuss the issue.

With regard to the method, and partly because of what has been decided with the adoption of the Treaty of Lisbon – and I hope that it will later be adopted by all the EU countries – I realise that Parliament wants to have its say, and wants to feel that it is a full legislator. I have only abided by the current rules. I do not have the authority to modify comitology; that is not within my powers. I can only have a report and ensure that Parliament is always involved in any case when there is a debate on an important issue, and also say whether a debate on the issue ought to take place.

The workshop that we have arranged for 6 November, which will include representatives of the Member States and MEPs, will be an opportunity – not that it is the only one, since it might be the first of a series of specific meetings – to assess all aspects of the use of body scanners, starting with what I consider to be the most important, human health. We will then tackle all the other problems relating to the possible non-mandatory use of this instrument, with the consensus of Parliament at the time. I do not wish to impose anything on anyone: I just want to assess possibilities.

I say again that I believe that it is right to do this with Parliament, with the commitment that I have made – and I repeat it now, at the conclusion of this debate – to officially consult the European Data Protection Supervisor and listen to the views of the European Union Agency for Fundamental Rights. As far as I am concerned, if after all the evaluations, on which I will report to Parliament, it is decided to go ahead with the choice of using body scanners, as far as the European Commission is concerned, my commitment is that body scanners – and I can guarantee this and I say it once again – will never be made compulsory and an alternative to them must always be provided by the airports.

If there is a European regulation then it must be on these terms: then, of course, if the laws are infringed it is clear that there will be consequences. If a legal provision is adopted, if we have a European regulation, then as far as the Commission is concerned one may agree or disagree, but that is the way things are. I make a commitment to do something: then if someone does not believe what I say and thinks it cannot be done. Otherwise we will not do anything.

As far as the images are concerned, they will not be recorded and they will never be stored. Thus it will only be a sort of walk through, given everything that will have to be done first. Should a decision be taken to use body scanners as an optional tool, the images will never be recorded or stored. That point will be in the text of the European Commission's regulation. If anyone subsequently breaks the rules, then the European Commission will take the appropriate measures. The same goes for any provision, and any criminal code. If anyone breaks a law then they incur the penalties laid down by the criminal code.

Today there is a manual body search: any official who touches a citizen inappropriately is violating their privacy and breaking the rules, and is thus not abiding by the law. The official will certainly be charged and found guilty, after a proper legal process. Above all, I undertake to take great pains on the issue of health. I believe that all these guarantees must and can be assessed afterwards by Parliament, which I intend to consult again at successive stages, starting with the workshop to be held on 6 November. This will be a meeting where MEPs will be able to put questions, say what they think and raise any queries, including technical ones. I can give guarantees of a political nature, but not of a technical nature. We need the technical experts to

respond. After the technical assessments, we will be able to give a response on that point. The MEPs who have been invited to the workshop will also participate in the assessment.

I therefore believe that I am in agreement with what was said in particular by Mr Fava and Mr Cappato on this point. A general consensus can be reached, which will be a joint assessment as to whether or not it is advisable in the future to use this technological tool. If it proves not to be possible to use it because the relevant criteria have not been met, then it will not even be included in the list of possible tools to use. If we were to come up with a positive verdict, after all the steps that I have promised to carry out, then the text of the regulation would contain all the guarantees that I have undertaken to incorporate into it, as I have said both in my opening remarks in response to the question and in my concluding reply. This is a commitment, and I am used to keeping to my commitments, above all those made to a Parliament of which I was a part for nearly 15 years.

President. – Mrs Lichtenberger, I must interrupt a scanning procedure currently underway that is extremely dangerous, particularly for the health of the interpreters, whom we thank for their cooperation.

⁽³⁾ I have received a motion for a resolution¹ tabled by six political groups.

The debate is closed.

The vote will take place on Thursday, 23 October.

19. Agenda of the next sitting: see Minutes

20. Closure of the sitting

(The sitting was closed at 12.14 a.m.)

⁽³⁾ 1 See Minutes.